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Colombia's Gaviria Comments on Cuba's Need for Assistance

PA1910162493 Madrid EFE in Spanish 2305 GMT 15 Oct 93

[Text] Santiago, Chile, 15 Oct (EFE)—Colombian President Cesar Gaviria today said a favorable atmosphere does not yet exist among the Latin American presidents for granting humanitarian assistance to Cuba, although he admitted that Cuba needs such assistance because of its deteriorating economy.

At a news conference with the local media, Gaviria pointed out: "I believe the situation being created in Cuba justifies that the international community consider Cuba from a humanitarian point of view." The Colombian president added that, in Cuba, "there are sectors of the population which are very much affected by the deterioration of the nation's economy, and we are convinced that there are people in Cuba who deserve assistance and support from the international community."

When asked if there was a favorable atmosphere among the Latin American presidents for granting this assistance, he answered: "I would say: 'Not yet.' Cuba has not resorted to asking for this type of assistance from the international community. I believe it is still too early to come up with collective decisions." He pointed out: "As is known, in Colombia we favor seeking a negotiated solution to the Cuban problem, instead of resolving the problem through confrontation." Gaviria added: "We have insisted in this policy, and we hope it will eventually be welcomed by the international community."

The Colombian president voiced his confidence that the Seventh Rio Group Summit, which began today in the capital of Chile, will yield specific results. He explained: "We are beginning to experience problems in consolidating democracy in this hemisphere. These problems should be discussed by the presidents and by the entire hemisphere." He added: "Problems are also stemming from the economic reforms that are insufficient for coping with a certain amount of social deterioration. For that we need to have a greater awareness and a strong action throughout the hemisphere."

Cesar Gaviria then emphasized: "I believe that we Latin Americans have to be more aware that we live in a hemisphere with common interests, that we must defend each within the context of international forums, and that we must support one another, particularly in trade disputes." The Colombian president added: "This is where there is frequent discrimination against us, and protectionist measures are imposed on us. This is why the Americas need to have a voice such as the Rio Group, which is important."

The seventh summit, with the participation of 11 Latin American presidents, officially concludes on Saturday with the issuing of the "Santiago Declaration."

Agricultural Council Decries Protectionism, Neoliberalism

PA1910165493 Mexico City NOTIMEX in Spanish 1734 GMT 16 Oct 93

[Text] Caracas, 16 Oct (NOTIMEX)—Delegations from 13 Latin American nations today signed the Caracas Declaration condemning the protectionism of developed countries and the neoliberal policies imposed on Latin America. The document was signed by representatives of Bolivia, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Uruguay, and Venezuela.

The signatories pledged to increase the exchange of information, technology, and research and to intensify trade, particularly in the area of agricultural products, to cover the region's deficits through the exchange of indigenous products.

In the declaration, the 13 signatories denounced developed nations that maintain high subsidies on production and exports, while the region's countries proceed to open their markets. They explained that the neoliberal policies imposed on Latin American countries by international financial organizations have weakened the agricultural sector because of the high political and social costs of those policies. The signatories stressed that the macroeconomic adjustment policies cannot and must not be implemented at the expense of the agricultural sector. They indicated that the Latin American countries must implement and strengthen policies that are compatible with social equality and sustainable development.

The declaration is the first document issued by the Latin American Agricultural Consultative Council [Consejo Consultivo Agricola Latinoamericano], which was created to promote joint actions and to strengthen Latin America's position when dealing with developed countries.

Central American, Colombian Coffee Growers Reach Agreement

PA1910183693 Guatemala City PRENSA LIBRE in Spanish 16 Oct 93 p 62

[Text] William Hempstead, president of the National Coffee Association (Anacafe) has said a meeting of Central American and Colombian coffee growers held on 15 October was successful, adding that an agreement was reached on a standard retention system for the 1992-93 harvest.

"With this important step," Hempstead said, "the retention system will be much more effective. The agreement will have an impact on the market as worldwide coffee retentions will total approximately 13 million quintales."

Hempstead said the impact of coffee retentions on prices will be positive. Currently, worldwide production is 95

million quintales, of which 20 million quintales are for local consumption, leaving 75 million quintales in the market.

He stressed that worldwide consumer demand totals approximately 72 million quintales. A 20 percent retention, equivalent to approximately 13 million quintales, will reduce worldwide supply to approximately 65 million quintales, which will increase prices.

He said: "We do not expect a big increase in prices. We believe a $90-95 price range per quintal of top grade coffee will help coffee producers cover their production costs and, in turn, begin recovering from their losses."

Meanwhile, Nicaraguan representative David Robleto said the retentions are aimed at guaranteeing a constant flow of demand and organizing local supplies.

"We do not want to affect or oversupply the international market. We want to improve discipline in coffee producing countries to prevent an excessive increase in physical inventories, which frequently occurs," Robleto noted.

Guillermo Canet, executive director of the Costa Rican Coffee Institute [Instituto Costarricense del Cafe], said his country is 100 percent in favor of the coffee retention plan, because it feels the plan is the best mechanism to achieve the objective of improving prices on the international market.

Ruben Pineda, executive director of the Salvadoran Coffee Council [Consejo Salvadoreno del Cafe], said so far his country has not made any retentions. Nevertheless, he added that it shares the same goals as the rest of the countries because the adoption of common positions will have an effect on the market, increasing prices while at the same time consolidating the Central American bloc.

Salim Janna, representative of the National Federation of Colombian Coffee Growers, noted that never before in the history of his country's coffee production has coordination with Central America been so close.

"We are very interested in making the retention system work, both in Central America and in Colombia," Janna stressed.

Mexico Could Become Route for Coffee Contraband

There exists the danger of contraband coffee from Central America entering the Mexican market.

Mexico would be a perfect route for such activities, despite efforts being conducted with Mexican authorities to control coffee shipments into the country.

Another problem to be faced by the coffee producing countries that have agreed on the retention system is what will be done with the retained coffee, which could be lost if stored for a long time.

Rene Montes, Guatemalan ambassador to the International Coffee Organization (OIC), said if the compound index price [precio indicativo compuesto] in the market is below $75, the retention should be between 20 and 30 percent.

In this case, the agreed percentage will be retained when the price of coffee fluctuates between $75.01 and $80.

In case the price fluctuates between $80.01 and $85, there will be no retention. When the price exceeds the $85 limit, the retention will be automatically lifted.

Cuba

Alarcon Sees Clinton Administration as 'Less Belligerent'

PA1910193293 Havana Radio Havana Cuba in Spanish 0000 GMT 19 Oct 93

[From the "Evening Information Review" newscast]

[Text] Cuban parliament President Ricardo Alarcon has said in Havana that there are more favorable conditions to establish a dialogue between the island's government and representatives of exiled Cubans. This dialogue was hindered by 12 years of Republican administration in the United States. Alarcon held a news conference with national and foreign journalists attending the first Fall Tourism Week. Some 112 journalists from 18 countries are taking part in the event.

The president of the National Assembly of the People's Government emphasized that the main obstacle to establishing contacts between both parties has been the activities of small yet powerful groups created during the Ronald Reagan administration. They have been used as spearheads in the most aggressive U.S. policies toward the Antillean nation.

As for relations with the William Clinton administration, Ricardo Alarcon pointed out that one can notice a less belligerent and hysterical attitude, much more moderate rhetoric, and more careful language.

The current Cuban economic situation, the commercial changes taking place following the collapse of the Eastern European socialist bloc, the tightening of the U.S. blockade, and tourism were among the topics addressed by the Cuban legislative branch president during his dialogue with national and international media.

Mexican Citizen Could Face Terrorism Charges in Court

PA2010010893 Havana Radio Havana Cuba in Spanish 0000 GMT 20 Oct 93

[Text] The Mexican Embassy in Havana has confirmed that Cuban authorities have provided facilities for following up the case of Mexican citizen Mario Garcia Ruvalcaba, who is under arrest at the embassy after being found in possession of enemy propaganda and weapons.

Garcia Ruvalcaba, who has been a U.S. resident for over 25 years, was arrested in Havana on 2 September in possession of fragmentation grenades and propaganda from Alpha 66, a counterrevolutionary organization that operates out of the U.S. city of Miami.

According to the Mexican Embassy, the arrested man has accepted the charges filed against him. If Garcia goes to trial in Cuban territory, he could face charges of terrorism based on national legislation.

The Cuban penal code states that any person who facilitates, sells, transports, sends, introduces, or carries in any way or place materials, substances, or tools used in sabotage activities is guilty of terrorism.

Havana Reports on Arrival of U.S. Project Delegation

FL1910125493 Havana Radio Reloj Network in Spanish 2047 GMT 18 Oct 93

[Text] Members of the Cuba-U.S. Project [Proyecto Cuba-Estados Unidos] arrived in our country this morning. This is a group of U.S. citizens who promote medical exchange with, and aid to Cuba. (Leslie Kagan), executive representative of the project, said that their donation—which consists of medicines and vitamins—amounts to approximately $320,000. This has been the fourth shipment brought by the Project.

(Kagan) said that when this delegation returns to the United States, it will engage in a fundraising campaign to expand its aid to Cuba, whose people are fighting for their land and their flag.

(Irwin Corey), a well-known humorist and member of the Cuba-U.S. Project, stated that this delegation has again broken the blockade imposed by U.S. Government officials. He added that his group supports the Cuban people and that U.S. citizens are willing to take actions in favor of the island.

Raul Castro Tours People's Council Area in Camaguey

FL2010015693 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Oct 93

[Text] After participating in the assessment assembly of the Communist Party of Cuba [PCC] in Camaguey, Army General Raul Castro toured the province accompanied by Julian Rizo, PCC first secretary in Camaguey Province, and PCC Central Committee member Lazaro Vazquez, among others. Our correspondent Ileana Borges has more details:

[Borges] In Camaguey Province, Army Gen. Raul Castro, second secretary of the PCC's Central Committee, toured areas under the jurisdiction of the Oriente Rebelde People's Council, in Sibanicu Municipality.

Considered one of the most outstanding such government bodies in Camaguey Province, its center lies in the community of Oriente Rebelde some 15 km north of Sibanicu, a planned settlement [barriada urbanizada] consisting of several multifamily dwellings and community buildings finished in 1992.

Raul was received by Emilia Betancourt, president of the People's Council and a deputy in the National Assembly. Emilia explained to him the characteristics of the place, where 1,105 people live, over 800 of them in the new community. These people have available numerous

basic services that they used to have to go to the municipality's main town in order to obtain, or even ask for.

[Castro] later went to the Oriente Sugar Mill, built in 1844 and considered unique in America because of the degree to which it has been preserved. The mill underwent careful and professional restoration about three years ago.

The deputy, Emilia, showed [Castro] part of the 210 family plots that are already supplying the homes under this People's Council to a considerabe extent; she also explained the work being done to develop fish-farming, through taking advantage of the dams, minidams, and tanks in the cattle-raising areas.

At the end of her tour, the president of the Oriente Rebelde People's Council announced that in December, in acknowledgement of the results it has achieved, the community will be the site of an exchange of experiences of People's Councils presidents.

Jordan Discusses UBPC's, Agricultural Role of Schools

FL1910131393 Havana Radio Rebelde Network in Spanish 1800 GMT 18 Oct 93

[Text] The first of a series of meetings to be held nationwide with agricultural and educational leaders took place today at the Guira de Melena Municipality in Havana Province.

Following the creation of Basic Cooperative Production Units [UBPC's] and the new guidelines established concerning the organization of agricultural-livestock production, both rural schools and school-in-the-field programs, as well as agronomy polytechnic schools, will continue to play an extremely significant role. Agriculture Minister Alfredo Jordan Morales stated that this movement, which has made such a valuable contribution to agricultural-livestock production and to our economy, will in no way be weakened.

[Begin recording] Both rural schools and school-in-the-field programs, and polytechnic schools are now undergoing a strengthening process. We must pay greater attention to schools, solve their problems, and provide them with every means of improving the integrated education of our students to a greater extent. We must also continue to reinforce the schools, to allow them to achieve self-support in those products needed to strengthen their food program.

I thus wish to tell you that we regard the meeting held today in Havana Province as very important, very positive. You were able to see that our comrades expressed their doubts, but that the prevailing idea was always that we will continue to promote the spiritual strength-labor combination. Today more than ever, we must attach significance to this formula.

We cannot possibly think that the UBPC's will bring immediate solutions, that it will solve our problems concerning work force, or our people's needs for agricultural produce. We will continue to require mobilizations for agriculture because conditions are not conducive to immediately creating UBPC's everywhere because there is a lack of infrastructure, there is a shortage of housing, we have no workers.

In the case of Havana Province, in addition to a larger number of agricultural workers, we are going to use permanent contingents, 15-day contingents. The rural schools and the schools-in-the-field programs in Havana Province today, tomorrow, and for a long time will remain an essential tool for guaranteeing production. I wish to assure you that we will maintain this formula, taking into account what it represents for the present and future of our Revolution. [end recording]

These were remarks made by Alfredo Jordan Morales, agriculture minister and Politburo member, at a meeting in Havana Province with leaders of agriculture, education, mass and political organizations.

Alarcon Sees 'Major Problems,' Announces New Measures

FL1910132093 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 19 Oct 93

[Text] Ricardo Alarcon, president of the National Assembly of the People's Government, today answered questions from Cuban and foreign reporters on the occasion of the first week of Fall tourism in Cuba.

The future of Cuba under the current economic conditions, following the collapse of socialism in european countries; and whether the U.S. Government will lift its embargo against Cuba, were again the subjects of several questions.

Commenting on the growth of tourism and relations between Cubans and tourists, Alarcon said these relations should be more open because this would enable anyone willing to know Cuba to have a more balanced opinion.

[Begin recording] What objective other than the one I mentioned could the attempt to cause a people to starve have; that is, the attempt to deprive our people of access to medicines, and to attempt to make our life as difficult as possible? This is now my conclusion. They themselves have said this. U.S. officials themselves have explicitly endorsed this position for a long time.

The blockade is designed to make the people grow desperate, to make the people grow tired, to make the people rise against that great collective undertaking embodied by the Revolution. We are facing major problems, major difficulties, which have of course not been solved through any of the measures taken. These measures are part of the actions we have to take to deal with

those difficulties. Other measures, which will have to be applied in the future, are now under consideration. [end recording]

Mariel Plant Using Cuban Oil To Produce Electricity

FL1910131893 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Oct 93

[Interview with Agustin Jimenez Aranda, director of the Maximo Gomez Thermoelectric Plant in Mariel Municipality, Havana Province, by reporter Diosdado Maso—live]

[Text] [Maso] I am now at the Maximo Gomez Thermoelectric Plant, which is located in the northern part of Havana Province. The provincial assembly of the party in Havana Province will be held on 23 October. A Radio Rebelde team will be touring this province to give our listeners live reports from the workshops and farms on how the Havana Province people are preparing for their assembly.

The Maximo Gomez Thermoelectric Plant in Mariel is the largest producer of electricity in the country. It is also the best known by all Cuban citizens. Engineer Agustin Jimenez Aranda is the director of the plant, which is now generating electricity practically with Cuban oil. I assume, engineer, that you must have made technological changes to be able to generate electricity using Cuban oil.

[Jimenez] Yes, we had to make some technological changes, but they were not major ones. We had to make some adjustments to be able to burn this oil. We also had to take some security measures to be able to use it. Basically, we had to expand our capacity to heat the oil before it reaches the boiler in order to reduce its viscosity so it can thus be efficiently burned within the boiler.

[Maso] Are you saying that you had to increase the temperature in the pipelines carrying the Cuban oil?

[Jimenez] Yes, we needed to increase the temperature of the oil to be able to burn it efficiently, so that it may burn well within the boiler.

[Maso] This is good news you are giving the listeners of the "Exclusivo" program of Radio Rebelde, engineer. Using Cuban oil, this plant will be able to produce more energy than planned.

More on Mariel Plant

FL2010015393 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Oct 93

[Excerpts] Technological modifications, with a view to using Cuban oil, have been introduced at the Maximo Gomez Thermoelectric Plant in Mariel, which generates the most electricity in Cuba. In order to give us more information on this matter, journalist Diosdado Maso interviewed engineer Agustin Jimenez Aranda, director of that power plant.

[Begin recording] [passage omitted] [Maso] The same boilers?

[Jimenez] The same boilers that we used to have. The burners were adapted to this new work system. We sought to make them more efficient by changing the spray. Measures aimed at preventing fires, explosions, and other problems that this fuel might entail were taken. The personnel were trained to work with this fuel, which has these particular characteristics. And so we began burning Cuban crude.

[Maso] So then, you are generating electricity everyday like before?

[Jimenez] We are generating everyday, like before—but we are not producing the same amount of electrical energy.

[Maso] Why not?

[Jimenez] Well, we... [rephrases] our generating capacity has been diminished, partly because of unavailability of equipment, especially boilers—although Cuban crude does have its advantages. The basic advantage in Cuban crude is that it is a fuel that we have right here in the country. It is the only one that does not need to be transported, or brought from abroad. It is perhaps our wine. Though bitter, it is our wine.

[Maso] The Maximo Gomez Thermoelectric Plant in Mariel is going to produce far more than planned, using Cuban crude. That was engineer Agustin Jimenez Aranda, director of the center.

This is the National Radio Newscast. [end recording]

Santiago de Cuba Shipyard Builds Self-Propelled Barges

FL2010015193 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Oct 93

[Text] The Nispero Shipyard in Santiago de Cuba is the stage for the first Cuban experiment in the conversion of barges into self-propelled barges and other complex naval constructions. Just weeks before the launching of the Gerona barge, the product of a profound modification made to a barge, workers of the Nispero shipyard, in cooperation with the Netherlands' (Nabdamex) Enterprise, will build 10 tankers with 1,300-ton capacity by converting barges, adding two heated tanks to the deck, which will accommodate transport of refined molasses and crude oil from Matanzas Province.

This newscast was informed of the new project by Luke Johnson, representative in Santiago de Cuba of the Netherlands (Damenchiptier) Enterprise. Johnson projects that the steel barge Gerona will be completed by

the end of the year. The barge will also have a roll-on/roll-off loading system, making it possible to load up to 1,000 tons of merchandise, trucks, freight elevators, and other resources. The Gerona, with its steel shell and new prow and stern, also has a three-story superstructure, machinery, freight lifters, and cabins for up to 12 people. This hybrid craft can travel at nine knots and is 54 meters long by 12 wide.

Two UBPC's Created in Granma Province, 318 Planned

FL2010023993 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 20 Oct 93

[Text] Granma Province has joined the reorganization process of state agriculture in the miscellaneous crops and livestock fields. The first two Basic Cooperative Production Units [UBPC's] in noncane agriculture in the province were created in Bayamo Municipality.

The first, called "Seguidores del Che," was created in the Cuatro Vientos region at La Bayamesa Enterprise, which has a patrimony of almost 2 million pesos. The second one, located in the Cautillo Miscellaneous Crops Enterprise, will produce tubers and vegetables. Its members agreed to name it after Leornado Perez, a young farmer who died while serving in an internationalist mission.

Alfredo Enriquez Pina, member of the Central Committee and first secretary of the Communist Party of Cuba in Granma Province, was present at the two ceremonies in which the administrative councils—headed by agriculture and livestock engineers—of the units were selected.

The process in the province will conclude in December with the creation of 318 UBPC's in the noncane sector. Of these, 18 will raise livestock, 80 will grow miscellaneous crops, 72 coffee, 13 rice, 14 in forestry, and seven tobacco.

* Reforms Needed Quickly To Stabilize Society

94CA0005A Mexico City EXCELSIOR in Spanish 27 Sep 93 pp 1-a, 26-a

[Article by Cuban writer Lisandro Otero]

[Text] The Cuban Government's stability depends on the rate at which reforms are carried out. If, as in the case of Penelope's knitting, what is done during the day is unraveled at night, it remains to be seen whether the pace of disintegration is faster than the pace of problem-solving, or vice-versa. The uncertain future of the threatened island hinges on it.

The situation is reminiscent of a passage from Lewis Carroll's *Through the Looking Glass,* when Alice was talking to the queen.

"In our country," said Alice, still panting, "one generally gets somewhere when one runs very quickly for a long time, as we have been doing."

"What a slow country!" said the queen. "Here you need to run as much as you can to stay in the same place. If you want to go anywhere, you have to run twice as fast."

The new law that allows self-employment, promulgated in early September, is a palliative, not a solution. It will help alleviate the difficult conditions of the service sector, but—like the dollarization—it is not a final solution. Many believe that this statute has merely legalized something that already existed.

Other complementary measures are necessary to increase worker productivity, reduce the amount of money in circulation, and bring down inflation. Monetary reform appears to be the next step to be taken. The two fundamental problems, for which no improvement is in sight, continue to be food and energy. If that situation were alleviated, there would be a slight recovery that would provide the hope that essential solutions could be found.

The September announcement of a series of regulations intended to bring innovation to agriculture was welcomed as one of the pragmatic solutions people had been waiting for. The objective would be to emancipate productive forces from the state yoke. But the marketing of farm products seems to be subordinated to the state; it does not allow the liberalization of the Peasant Free Market.

For example, the new Base Cooperative Production Units, as they are called, are subject to storage mechanisms that have already proven to be as inefficient as ever. This could be a stumbling block for getting farm products into the hands of the populace. It would be very different if these base units could market their goods directly. Despite this obstacle, the measure is a step forward. It links wages to production, and it gives ownership of goods to the individuals or collectives that produce them, allowing for complete administrative autonomy.

The promulgation of the new agricultural order prompted widespread discussion among the people, but a housewife, with the wisdom of her years, declared that she would know whether the new measure was any good when the food began to arrive at her house.

But not all the problems are material. Although the material problems are overwhelming, there are serious moral conflicts as well.

For decades the Cuban people have been bombarded with ideological messages that planted the seeds of a social and political creed. Even for those who never claimed to be Marxists, there were abiding principles of nationalism and patriotism and affirmations of the honesty of the citizenry.

The difficult conditions in which the Cuban people are now living have led to a relaxation of standards. Not

only are prostitution and theft of state property on the rise, but the citizenry is taking part in all kinds of misappropriation.

The result is an erosion of morality in which the ethical postulates preached during the years of the revolution are falling by the wayside. A tremendous moral vacuum is being created, and right now there is no doctrine to fill the void. The official rhetoric no longer has any large-scale effect.

The principle of every man for himself appears to be prevailing under the current circumstances. As a result, a set of ideals that was painstakingly constructed is now crumbling. Some are returning to religious faith, a phenomenon that is not widespread but is one indication of this uncertainty. In addition to the political and economic crisis, Cuba is going through a serious moral crisis.

This moral crisis was one subject dealt with in the Message from the Conference of Catholic Bishops of Cuba, issued on 8 September. In moderate tones, the bishops expressed major criticism, much of it well-founded and objective, in a serious document that deserves careful study.

This assault, whose impact was in no way diminished by its courteous tone, has unleashed a storm of protest. An official spokesman, using aggressive and disrespectful language, called it "a stab in the back of the revolution," a "political document that is dishonest and in bad faith." The bishops have been accused of pitting love for God against love for the fatherland.

The revolution has responded in some peculiar ways. First of all, the newspaper of the Workers Federation was assigned to print a reply, and not even on the editorial page. This lowered the level of the response, indicating a desire not to bring the conflict to the highest degree of antagonism. Then an article appeared in GRANMA, the organ of the Communist Party. It was written by a Catholic intellectual who had recently been given a public post. Twenty years ago, Fidel Castro himself would have given a thundering speech in the Plaza de la Revolucion in answer to the bishops. On the other hand, 20 years ago the bishops would not have dared to issue a pastoral letter of this political caliber.

The pastoral letter is guaranteed to have repercussions in the international media, in foreign ministries, and in institutions abroad, but not so much in a nation that is not overwhelmingly Catholic. Cubans are more likely to believe in the sorcery of the *Regla de Ocha* and the *santeria* of Yoruba origin, although the Virgin of Copper—Ochun in the popular pantheon—is venerated by the entire nation.

The attitude of the Catholic bishopry contrasts with that of protestants, who are advocating resistance to the U.S. blockade through their Pastors for Peace movement and their recent hunger strike in Laredo.

The Cuban church has not had a tradition of support for popular causes, even though it was a priest, Felix Varela, who first spoke of the emancipation of Cuba. The church opposed the *mambises* [Cuban independence fighters] during the wars of independence, because the colonial authorities selected the clergy to be sent to the island from the most reactionary traditionalists. It did not play much of a role in the revolution of 1933, either.

Nevertheless, it was Archbishop Perez Serantes who saved Fidel Castro from certain death after the assault on Moncada in 1953. Several priests went up into the Sierra Maestra during the insurrection against Batista. After a confrontation with the new revolutionary authorities in the wake of the triumph of 1959, when Catholics were mobilized in public demonstrations and churches became forums for political debate, the Cuban church entered a stage of prudent moderation and discreet relations.

A skillful Vatican politician, Monsignor Cesare Zachi, did a great deal to heal the wounds from previous clashes. The more recent papal nuncios in Havana have not had his diplomatic skills, and relations have gradually deteriorated. There had been talk recently of Pope John Paul II visiting the island, but now those plans are on hold. The bishops' letter could be the prelude to a new confrontation, although the times are not the same. The revolution is not in a position to wage an internal war right now; it must lobby, negotiate, and compromise.

Internationally, more important developments have taken place.

In mid-September, the European Parliament in Strasbourg adopted a resolution condemning the U.S. embargo of Cuba and also urging the Cuban Government to undertake negotiations with the internal opposition and the exiled community.

The European Community would like to see the dispute between Cuba and the United States end peacefully, but it will not go out of its way to promote that because it is not willing to confront Washington over a matter that is not a high priority.

Europe is still in a state of euphoria and triumph over the collapse of the socialist camp, and it does not want to undo in the West what was accomplished in the East. Europeans see the Cuban model of socialism as too similar to the Soviet model and, therefore, they are not sympathetic to it.

Swayed by a policy of recovering its old spheres of influence—in a blatant attempt at economic recolonialization—the European Community will not deny the existence of spheres of influence, within which Cuba would come under the aegis of the United States. Europe will not encourage economic cooperation with Cuba for the time being, considering that Cuba still has a large unpaid debt to Europe, and no agreement has been reached in that regard.

On the other hand, the rafts continue to wash up on the shores of Florida, and after various incidents with "asylum seekers" in the embassies of Havana, the one at the Mexican Embassy being the most highly publicized, desertions are occurring with increasing frequency, including those of some noted artists.

The United States fears that a violent disturbance of the established order in Cuba may unleash a new tide of migration, similar to that of Mariel, bringing hundreds of thousands of fugitives to its shores. Partial and discreet talks are under way. The internal opposition is increasingly worried that a formal dialogue between Cuba and the United States will begin before they have achieved an advantageous position at the bargaining table.

There are rumors of disagreements in the Cuban leadership about what course to take. No doubt about it, the transition has begun. The reformists are winning the battle, but the orthodox faction has not accepted defeat. Consequently, the new ordinances governing the transition economy are not as flexible as they should be to stimulate the free play of productive forces. They are always distorted by provisions that call for state control and hinder the free and functional movement that could be given to the structures that are being created.

Some of the officials who are advocating the old "purity" of the Soviet model have their own interests at heart; they are trying to maintain a status quo that would perpetuate their own privileges. These midlevel authorities will probably try to sabotage the measures adopted by the top-level leadership, because they do not want to see a successful reform that would endanger their sinecures.

There are a few true believers, however, who are honestly concerned that the reforms begun in Cuba could lead to a Gorbachev-style surrender and the liquidation of the revolution. They are thinking of Nicaragua and Ethiopia, Eastern Europe and the Soviet Union. They believe there are concessions that will lead to defeatism and wipe out the conquests that have been made. They raise the specter of the recalcitrants in Miami who would turn Cuba into a loyal branch office of a transnational corporation if the revolution collapsed.

There is another current of opinion that advocates the clear and explicit adoption of a vast, coherent, well-articulated economic project that should be explained to the people in such a way that they know exactly where they are headed. According to this view, the recent remedial decrees, issued at intervals, are temporary palliatives that will not be able to free the pent-up impulses. The new transitional system, clearly enunciated, would help restore confidence and renovate the economy.

In opposition to this opinion is the view of those who favor a period of trying out the new measures so that progress can continue. The country's situation is such that it cannot afford new mistakes in the economy, and another misstep by the government in that area could be its last. The results of the current measures would have to be seen before other regulations could be pursued fully.

The frequent power failures have increased discontent on the island, and some angry groups have committed acts of vandalism against state property. The government has decided to confront them, and this could raise the social temperature, especially if no one is able to distinguish between the natural unrest prevailing in a population that has been forced to endure deprivation and the criminal acts committed by marginal elements. Indiscriminate repression of dissent, mistaken for the crimes of the underworld, will cause political erosion. The government is trying to prevent the disappearance of sovereignty and national identity. This could happen if violent disturbances provide an excuse for foreign intervention.

As summer draws to a close in 1993, the crisis is worsening. The latest decrees suggest that Cuba is moving toward a mixed economy, with elements of both socialism and a market economy, in an effort to salvage part of the benefits achieved by the people.

The reforms are taking place at a slow pace that is not keeping up with the emergence of new difficulties. There are persistent rumors that a special session of the National Assembly will be convened in October to discuss a package of substantial measures that will pursue real reform. Time, now more than ever, is critical for the survival of the revolution.

Commentary Cites 'Weakness' of Self-Employment Law

FL2010011793 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Oct 93

[Commentary by Mariela Diaz]

[Text] I do not know if we also ought to thank the special period for the promulgation of Decree Law 141, on the expansion of self-employment. The legal accord states: Under the current conditions of the special period, in which the economic activity of the nation is affected by the lack of material resources of diverse types, it is advisable to expand self-employment.

It is true that there were citizens selling things before the promulgation of this decree, although they were not registered on the fee-payers' list. From now on, they will surely think twice before continuing to sell things without official authorization. We are talking about a government decision that is neither the greatest solution nor the worst mistake. It is simply a natural and logical consequence of a socioeconomic stage in the life of a nation. This will not, by the same reasoning, solve all our problems. Yet, we must keep alert to ensure that no new problems arise from it.

As usual during the first days, we noticed the peoples' doubt and general expectation on the implementation of the law, the registration process, and above all, on what will happen to individuals who sell items not produced from state-originated raw materials. The law states in Clause No. 19, on Relations Between State Activities and Self-Employed Workers, that economic controls should be maintained in the marketing and possible sale of raw materials, among other aspects. Perhaps it should also have said that the sale of raw materials would occur on a long-range basis because the country is not, of course, in a condition to do so now.

The population in general believes the law on expanding self- employment is good, and to-date, many have requested licenses to begin little businesses. My initial view stems from the popular impetus of the law and its weakness, raw materials.

Roundup of Economic Activity Reported 12 Oct to 19 Oct

FL2010020993

[Editorial Report] The following is a compilation of fileworthy reports on economic developments in Cuba carried on Havana radio and television in Spanish between 12 October and 19 October.

Tele Rebelde and Cuba Vision Networks at 0100 GMT on 12 October report that work is under way on the hydroelectric complex involving the Toa and Duaba Rivers that, when completed, will be Cuba's biggest hydroelectric project. "Electricity will be produced by five North Korean (Francis) turbines, and the DPRK is also helping with technical advice and design." This project is expected to save the nation 200,000 tons of fuel yearly.

Radio Rebelde at 0000 GMT on 12 October reports that more Cuban medical products are going to be sold in Mexico. The radio interviews (Raul Poire Patino), sales director of the Mexican firm (U.S.V. Grossmann), who says that his company has begun marketing several products produced in Cuba. He explains that a couple of Cuban-made products are already available in Mexico and that he is now in Cuba because his firm is going to market others, among them a gamma globulin that he feels compares favorably to gamma globulins on the international market.

Radio Reloj at 1500 GMT on 12 October reports that Granma Province now has almost 720 caballerias planted in plantains, 260 more than in 1990. Of these, approximately 457 caballerias are planted in "burro sensa" plantains, which are very resistant to drought, pests, and plant diseases. Of the 26 caballerias irrigated by the microjet system, 12 are in production.

Radio Progreso at 1200 GMT on 13 October reports that Maximo Gomez Hospital in Punta Alegre, Chambas Municipality, northern Ciego de Avila Province, has received 800 kg of medicines and sterilization material donated by the Spanish branch of the nongovernmental organization Doctors Without Borders [Medecins Sans Frontieres], as part of a plan to provide medical aid for a population not greater than 10,000 inhabitants. This is the third time Doctors Without Borders has sent help to Cuba: The first was in March, when the storm of the century occurred; the second in July, to fight the neuropathy. This time, the total donation was 12 tons of medical material, which is being distributed among 17 hospitals in Cuba.

Radio Rebelde at 1000 GMT on 14 October reports that two miscellaneous crops granges to be tended by Youth Labor Army members have been formed in Havana Province. The radio also reports that Granma Province has picked 60 percent of the current coffee harvest and that 82 percent of all the coffee picked has had the outer husk removed. Approximately 100,000 cans' worth of coffee are ripe on the bush.

Radio Reloj at 2034 GMT on 14 October reports that, according to the Sugar Industry Ministry, sugarcane workers have this month manually cleaned and weeded 2,000 caballerias of cane fields. The report adds that, although this figure represents a major effort, manual cleaning is still behind schedule and that accrued compliance during the July-October period stands at only 76 percent. Matanzas and Ciego de Avila are the provinces lagging farthest behind in this undertaking.

Radio Reloj at 2037 GMT on 14 October reports that 30 Basic Cooperative Production Units (UBPC's) have been created thus far in the agroindustrial complexes of Ciego de Avila Province.

Radio Reloj at 2044 GMT on 15 October reports that the UBPC created in the "Friendships With the Peoples" Agroindustrial Complex is the fifth and last sugarcane UBPC to be created in Guines Municipality, Havana Province.

Radio Rebelde at 1255 GMT on 16 October reports that the United Nations Development Program will give $172,000 to Cuba to establish an office to help eliminate ozone damaging agents.

Radio Reloj at 2030 GMT on 17 October reports that a 50-ton donation brought by the Key West-based flotilla, Basta, has been distributed to several health and social care centers in Havana.

Tele Rebelde and Cuba Vision at 0100 GMT on 19 October report that the first UBPC in the coffee sector has been created in Santiago de Cuba Province.

Tele Rebelde and Cuba Vision at 0100 GMT on 19 October report that, according to the Ministry of Agriculture office in Pinar del Rio Province, recent heavy rains in Pinar del Rio have caused considerable damage to tobacco seedbeds. The total loss of 47,100 beds of seedlings has been reported. This is 27 percent of the total that existed at the moment the rains fell. This means that the planting of 282 caballerias in tobacco will

be set back by at least 40 days. Another 78,000 beds were somewhat affected. Their recovery will depend on weather conditions in the immediate future.

Radio Rebelde at 1800 GMT on 19 October reports that the Heroes de Playa Giron Citrus Complex in Jaguey Grande, Matanzas, has been repaired and expanded. It now has a new $11-million production line that employs Brazilian technology and will increase to 80 tons per hour the complex's capacity to grind fruit—double the previous amount. The radio also notes that the Sergio Soto Refinery in Cabaiguan is making solvents that will permit greater use of Cuban crude oil for various purposes.

Philippines' Support For Lifting U.S. Blockade Cited

FL1910124693 Havana Radio Reloj Network in Spanish 2058 GMT 18 Oct 93

[Text] Philippines will support any UN resolution in favor of lifting the U.S. economic blockade against Cuba, Philippine Vice Foreign Minister (Rodolfo Severino) has stated.

(Severino) made these remarks to the press following a meeting with Cuban Vice Foreign Minister Mario Rodriguez, who is visiting Manila. (Severino) added: We will support Cuba when the time comes to take a vote on the resolution at this session of the UN General Assembly. He noted that Philippines abstained last year because it considered the subject to be a bilateral topic between two countries with which Philippines maintains diplomatic ties.

Alluding to possible Washington reprisals, (Severino) said that those states refusing to support the blockade against Cuba should not be punished.

Rodriguez is currently on a tour of Asian countries to broaden the range of Cuban relations in that area.

Holguin Province PCC Report Urges Fight Against Crime

FL2010015093 Havana Radio Reloj Network in Spanish 2041 GMT 19 Oct 93

[Text] The fight against and measures to prevent crime, and social indisdicipline are among the topics included in the main report submitted to the assessment assembly of the Communist Party of Cuba [PCC] in Holguin Province.

The document also advocates the adoption of specific objective measures to fight legal offenders, and urges that appropriate punishments be rigorously enforced.

Alarcon Meets With Visiting Costa Rican Legislators

FL2010015493 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Oct 93

[Text] Ricardo Alarcon, president of the National Assembly of the People's Government, has received a delegation from the legislative assembly of Costa Rica headed by (William Munoz Cespedes), president of the international relations committee. The Costa Rican legislators will hold talks with Cuban State and Government leaders and will visit sites of economic, social, and historic interest.

State Economic Committee Official Arrives in Yemen

FL2010021593 Havana Radio Rebelde Network in Spanish 0000 GMT 20 Oct 93

[Text] Manuel Gutierrez Vega, first vice president of the State Committee for Economic Cooperation, arrived today in San'a, capital of the Republic of Yemen, at the head of a Cuban delegation, to participate in an intergovernmental meeting.

The Cuban delegation was welcomed at the local international airport by the Yemeni health vice minister and other officials. The local press has given wide coverage to the visit.

Dual Purpose Seen in Rangers' Withdrawal From Somalia

FL2010025093 Havana Radio Rebelde Network in Spanish 0000 GMT 20 Oct 93

[Commentary by Orlando Contreras]

[Text] An AFP report datelined Washington states that today, 19 October, President Clinton ordered the withdrawal from Somalia of the Rangers unit deployed to that country on the African Horn. The report adds that the primary mission of the Rangers in Somalia was to capture General Mohamed Farah Aidid.

In a news conference, Clinton said that the withdrawal of the Rangers—as of last week, there were nearly 1,000 of them in Somalia—does not mean that a decision has been made whether to capture Aidid or not. Yet, judging from Clinton's remarks, Washington appears to have opted, on the one hand, for going the way of political-diplomatic negotiations; while on the other, it has reinforced its military might in Somalia with the arrival of 1,300 additional marines. In so doing, Clinton has satisfied two important political-economic sectors in the United States: that is, those who following the disaster suffered by a Rangers company, which two weeks ago sustained the heaviest casualties since the Vietnam War, are pressuring the U.S. to withdraw forces from Somalia and are criticizing the lack of political leadership of the U.S. Administration; and those who believe that the

military operations have not been adequately conducted and that they have lacked adequate support in both men and equipment.

To attempt to satisfy two conflicting positions does not seem to be a sound political move. In remarks to THE WASHINGTON POST, Clinton admitted a few days ago that he had committed errors in handling the Somali situation. No sooner had Clinton said that than Secretary of State Warren Christopher said: It has been my fault.

In the wake of these successive mea culpas, some analysts expected a more creative policy than trying to satisfy the two conflicting options; that is, the military and the political-diplomatic options.

I believe there is another important element in this matter. The military intervention in Somalia was obviously another of the explosive issues left by the administration of President Bush who, as is known, was defeated in the last U.S. presidential elections. Problems in handling issues like Somalia and others, which are related to the entire foreign policy structure, are understandable during a transition period, when a new government team has not yet mastered the administrative mechanisms and has not had time to formulate a new policy.

The fact that this unpleasant inheritance is taking too long has led some observers to believe that it has been assumed, perhaps without full conviction, by the current administration. These observers blame the ongoing situation on either a lack of new ideas; old, insurmountable commitments; or on a lack of experience and creative ability in some key men charged with designing and handling foreign policy, as well as in those serving on the National Security Council.

Until realistic changes are made to conform to the new times in U.S. foreign policy, these theories will at least have the merit of being slowly but steadily confirmed by developments.

Inter-Caribbean Affairs

Caricom at UN Expresses Support for Haitian Democracy

FL1910130393 Bridgetown CANA in English 2149 GMT 18 Oct 93

[Text] Port-of-Spain, Trinidad, 18 Oct, CANA—Caribbean Community (Caricom) representatives expressed concerns over Haiti, the regional banana industry, and their flegling economies, at the United Nations recently.

Barbados' Foreign Minister Branford Taitt expressed apprehension about the turmoil in Haiti during the general debate last week, a statement from the United Nations Information Centre in Port-of-Spain said. Taitt said the international Community and the UN Security Council in particular must not sit idly by, merely expressing regret at the state of affairs in the improverished country, but must be prepared to take whatever action necessary to ensure that the murders and assassinations ceased.

Dominica's External Affairs Minister Brian Alleyne sounded similar fears and said if the military leaders failed to comply in good faith with the unbrokered accord, Dominica would be ready to reactivate sanctions in keeping with the United Nations resolutions to this effect.

The United Nations has decided to reimpose its oil and arms embargo against Haiti Monday unless the parties to the Governors Island Agreement reinstate the legitimate government of Jean-Bertrand Aristide. Alleyne said Dominica would also do whatever it could to contribute to the restoration of democracy in Haiti, including contributing to the civilian police and training contingent of the United Nations missions in Haiti.

Alleyne also raised concerns about the threat to the banana-producing countries in the Windward Islands from the major banana producers of Latin America. He called on his Latin American neighbours to honour the spirit of the Declaration of Managua and to take into account the damage to the economies that was likely to result from their policies on the banana industry.

St. Lucia's Deputy Prime Minister George Mallet said the island's already precarious economic situation was compounded by a direct attack on its most important export crop. He said more than 50 percent of its population worked in banana production and related activities. He said there were forces at work, urged on by multinational business interests which sought, "to wrest from us even the miniscule share, less than three percent of the market, which has enabled our economies to barely weather an increasingly hostile economic environment."

The chairman of Antigua and Barbuda's delegation Lionel Alexander Hurst said the 33 Latin American and Caribbean states had quietly made tremendous strides to strengthen the bonds of cooperation and friendship. He noted that during the past year, the regional group of states had worked together to find a solution to the Haitian crisis.

The permanent representative of Trinidad and Tobago to the United Nations, Annette des Iles, spoke about the human suffering and instability resulting from general economic stagnation which was as disconcerting as that caused by war and strife. She said her country had suffered the ravages of economic deterioration with a steady decline in the price of the single product, oil, which accounted for more than 40 percent of government revenue and 80 percent of foreign exchange earnings.

Antigua and Barbuda

UPP Pickets Information Ministry Over Media Access

FL1910125693 Bridgetown CANA in English 2103 GMT 18 Oct 93

[Text] St. John's, Antigua, 18 Oct, CANA—Antigua and Barbuda's main opposition United Progressive Party (UPP) staged another demonstration Monday outside the Ministry of Information to demand more effective access to the public media.

The UPP picketed the ministry two weeks ago and government responded with a policy statement which said the leader of the opposition or his elected nominee had 15 minutes on the state-owed ABS Radio and Television to comment on statements by ministers on national isuses.

"That clearly is non-sensical because the authorities are fully aware that I'm the only elected representative for the opposition in Antigua..." Said opposition leader Baldwin Spencer. "Clearly that shows up the insincerity of the government's position on the freeing of the public media," he added.

He added: "We feel (that) the campaign ought to continue. We feel strongly that access to the public media is so fundamental to underpin democracy and to ensure that you have a level playing field that we cannot just take anything for granted," Spencer said. He said his request to comment on the government's policy on the use of the media was yet to be answered.

About 30 UPP leaders and supporters took part in the nearly four-hour demonstration. They carried anti-government placards.

Information Minister John St. Luce said arrangements were being made to broadcast a statement by Spencer this week.

Bermuda

Chief Justice Inaugurated at Government House

FL1910131593 Bridgetown CANA in English 2158 GMT 18 Oct 93

[Text] Hamilton, Bermuda, 18 Oct, CANA—It was business as usual for Bermuda's new Barbadian-born Chief Justice Austin Ward after a brief inauguration ceremony at Government House on Monday.

Ward was sworn in and took the judicial oath under the supervision of Govenor Lord Waddington during the ceremony attended by top government and legal officials.

Lord Waddington said: "It is a short but significant ceremony. I would like to congratulate you on assuming this very important post. I am sure you will hold it with great dignity."

Ward, who turns 58 next month, again showed his reluctance to talk to the media, declining to stay behind for interviews with the island's television stations and a reporter from the ROYAL GAZETTE, the daily newspaper. He made a quick getaway with his wife, Francisca, and went immediately back to a Supreme Court case in Hamilton. At the weekend he told the ROYAL GAZETTE he had nothing to say about his appointment and would be working as usual this week.

Ward came to Bermuda in 1969 with his wife and their two daughters, Rosa and Desiree. He served in private pracitice until 1972 when he became a magistrate. In 1976 ward also moved on to become registrar of the Supreme Court and the Court of Appeal. He served as the registrar of companies for one year and then served as solicitor general from 1980 to 1985 when he was appointed a Puisne judge.

Haiti

Haitian Radio Describes UN Embargo, U.S. Sanctions

FL1910203893 Port-au-Prince Radio Metropole in French 1045 GMT 19 OCt 93

[Text] Haiti is under embargo. The UN oil and military embargo against Haiti went into effect on 18 October at 2359 in conformity with the UN Security Council's decision. The embargo is designed to compel the military authorities to accept the return on 30 October of President-in-exile Jean-Bertrand Aristide under the provisions of the Governors Island agreement, the United Nations considering that the military authorities are not respecting the clauses of this accord. No signs of tension or any particular demonstrations were reported at the time of the application of sanctions in Port-au-Prince, whose population was asleep at that late hour.

UN sources have confirmed that the embargo is on oil, weapons, and ammunition only, not on trade. The commercial embargo against Haiti, ordered on 8 October 1991, has not been reinstated. That controversial measure resulted, according to independent religious and humanitarian sources, in some 10,000 deaths among the vulnerable of the population—women, children, the elderly, and the ill.

Meanwhile, on 18 October President Clinton signed a decree, taking effect on 18 October at 0300 GMT, freezing the financial assets of Haitian military authorities, their henchmen, and those who support them, and revoking the U.S. visas of those who were benefiting from holding them. This was announced by the White House.

The U.S. actions that President Clinton announced last Friday [15 October] carry a step further the sanctions voted on (?13 October) by the UN Council, a high-ranking employee of the U.S. Treasury Department said during a press conference. Rick (Newcomb) specified that the administration was working on a list of 40 to 50 names but that this list was far from being definitive. These are sanctions ordered by the United States against Haitian authorities last June, which Washington lifted on 27 August when the United Nations lifted the embargo against Port-au-Prince.

Mr. Newcomb, however, stated that the measure signed by Mr. Clinton on 18 October expands the number of people who can be affected by those sanctions. In addition to the Haitian military authorities and those who finance and support them, the decree aims at two other categories: those who oppose the application of the Governors Island agreement, signed by the Port-au-Prince regime and President Aristide, and the development of the UN mission in Haiti.

Political Tension Provokes Exodus to Provinces

FL1910204993 Port-au-Prince Radio Metropole in French 1600 GMT 19 Oct 93

[Text] The increased political tension in Haiti has provoked a notable exodus of the Port-au-Prince population to the provinces. This phenomenon is visible in the bus stations and on the Port-au-Prince quay from which overloaded boats are departing. Today, 19 October, is the second in the three-day holiday that the government declared for mourning the memory of the 14 October victims. Business in Port-au-Prince is a bit more active than yesterday. Vehicular traffic is heavier; some supermarkets and auto parts stores have opened their doors. The schools and public administration remain closed.

Legislature Meets To Establish Crisis Committee

FL1910203693 Port-au-Prince Radio Signal FM in French 1700 GMT 19 Oct 93

[Text] Parliamentarians of the 45th Legislature have been meeting since this morning of 19 October in order to set up a crisis committee charged with finding a solution in compliance with the spirit of the Governors Island agreement and the New York pact. Let us listen to our colleague [Jean] Luckenson [live] from the Haitian parliament.

[Luckenson] This morning, 19 October, at about 1200 hours there was a bicameral convening at the Legislative Palace to set up a crisis committee. The purpose of the meeting is to find a solution to the crisis, to get Haiti out of this century's-end crisis. We need a rational solution, Senator Ebrane Cadet, second secretary at the upper chamber, told us. The call was answered by 28 parliamentarians, including 22 deputies, notably the president of the lower chamber, Dr. Antoine Joseph, the vice president of the National Assembly, and six senators, among whom appear 18 January elected representatives.

Shortly after the meeting began, Deputy Pierre-Francois Vital of the Alliance for Parliamentary Cohesion suggested the autodissolution of the 45th Legislature and [of] the agreement signed in New York on 3 July by General Raoul Cedras and President Jean-Bertrand Aristide. He also called on the president of the Court of Cassation to hold new elections within 90 days. This is the information we have at the moment.

[Announcer] Luckenson, is the meeting still continuing? Have any decisions been adopted during this meeting?

[Luckenson] So far, the meeting continues and no decisions have yet been adopted. We are on the spot and will keep you informed.

[Announcer] All right. We and our listeners are waiting.

Committee Seeks Solution

FL1910210993 Port-au-Prince Radio Metropole in French 1800 GMT 19 Oct 93

[Text] A crisis committee has been established in parliament. This committee, created at the initiative of a group of legislators for the resumption of activities in the Legislative Palace, includes three deputies and two senators. The committee's mission is to find a patriotic solution that complies with the spirit of the Governors Island Agreement and the New York pact. The crisis committee's format is informal. They are in fact holding a meeting at this moment in the Chamber. Edner Jean reports live:

[Jean] Well, Resignac, this crisis bureau consists of five legislators—two senators and three deputies. It is the vice president of the National Assembly, the president of the Chamber of Deputies, Antoine Joseph, who is presiding over this crisis committee or bureau, with on his side: Ebrane Cadet as first secretary, also first secretary in the Senate office; Bernard Sansaricq; Datus Milcent; and Duly Brutus.

The president of this crisis bureau invited the legislators to consider the prevailing situation in the country. The deputy of the socialist bloc, Yves Pericles Boge, spoke right after the installation of this crisis bureau to ask the

legislators to carefully consider the acts they will be undertaking today. He reminded these deputies and senators that there is a current government, that this government was ratified by the parliament, and that the president has been restored by the parliament. He also reminded the legislators that they must not superside the government, which is responsible for managing the crisis.

This idea was disputed by Senator Thomas Eddy Dupiton who spoke of the government's resignation. He said he thinks the government will be resigning and that since the beginning of the crisis, the government has not assumed its responsibilities. He asked the legislators to quickly and conscientiously assume their responsibilities in order to respond to the international community and to the warships currently in the Port-au-Prince port.

Right now, discussions are being pursued with 30 legislators who are presently is the session room—six senators and 24 deputies. It should be especially noted that the National Front for Change and Democracy deputies are absent. We will have more details later. Edner Jean for Radio Metropole.

Czech Prime Minister Begins Official Visit

PA1910125093 Mexico City NOTIMEX in Spanish 0434 GMT 18 Oct 93

[Text] Mexico City, 17 Oct (NOTIMEX)—The Czech Republic is disillusioned by the closure of industrialized nations' markets, it was stated today by Czech Prime Minister Vaclav Klaus upon his arrival in Mexico, where he was welcomed by Foreign Secretary Fernando Solana Morales.

During a news conference, the leader of the Czech Government said his country is "in the same boat with Mexico" in terms of the current situation of protectionism. He said Latin American countries also feel disilusioned because of the changes that have occurred in the international community within recent years—changes comprising the closure of European markets.

The prime minister said it is unfeasible for his country to reinstate socialism because "the Czech Republic has crossed the river and achieved more progress than other post-Communist countries."

Klaus said his visit to our country will help him learn more about certain economic policies, "because we have closely followed President Carlos Salinas' reform measures, and we have discovered similarities with our efforts."

Vaclav Klaus is on an official visit to Mexico until 22 October. During his visit, he is scheduled to meet with the Mexican president. He is also scheduled to talk with Finance Secretary Pedro Aspe Armella, Commerce Secretary Jaime Serra Puche, Foreign Minister Fernando Solana, and Manuel Camacho Solis, chief of the Federal District Department. He also will meet with Mexican businessmen and bankers in a session organized by the Mexican Businessmen's Council for International Affairs (CEMAI), and he will receive the keys to the city and be appointed Distinguished Guest by Camacho Solis.

Vaclav Klaus will travel to Guadalajara, Jalisco, located in the western part of the country, where he will meet with Governor Carlos Rivera Aceves and local businessmen; he will also visit the local university and preside over the honorary Czech consultate's official opening. On Wednesday Klaus will travel to Cancun, Quitana Roo, located in the Mexican southeast, where he will attend the 31st Congress of International Chambers of Commerce.

Discusses Trade Talks in Mexico

LD1910193993 Prague CTK in English 1227 GMT 19 Oct 93

[Text] Mexico City, 19 Oct (CTK)—The Czech Republic and Mexico are soon to sign an agreement preventing double taxation, Czech Premier Vaclav Klaus told journalists today at the end of his series of talks here.

The two countries will then start talks on an agreement on the support and protection of investments, he said, adding that the Czech Republic is also interested in discussing a free trade zone agreement with Mexico.

Yesterday Klaus met Mexican President carlos Salinas de Gortari, Trade and Industrial Development Minister Jaime Serra Puche, and Finance Minister Pedro Aspe Armella, as well a. business, banking, and trade representatives.

Speaking about the proposed free trade zone agreement, Klaus said that signing an agreement like that would be a good sign both for the signatory countries and to the outside world.

It would show that the fundamental problem with opening up the world is not economic, but a lack of political will, he said. The closing of a free trade agreement is really a question of political will and of overcoming the resistance of several groups of lobbyists who don't want it.

Klaus dismissed suggestions that by creating a free trade zone with Mexico, he was actually trying to gain access to the American market by means of the North American Free Trade Agreement (NAFTA), which congress is expected to ratify. Our interest in the development of trade with Mexico is not dependent on this or any other decision of the American Congress, he said.

He added that nonratification would send a disquieting signal. The world finds itself at a fork in the road, he said: Either it will proceed with the creation of a free market in people, goods and ideas, or individual countries will curl up into themselves. For this reason, every signal in one or the other direction bears considerable importance.

Costa Rica

President Demands U.S. Respect for Nation's Sovereignty

PA2010033593 Mexico City NOTIMEX in Spanish 0033 GMT 20 Oct 93

[Text] San Jose, 19 Oct (NOTIMEX)—Costa Rican President Rafael Angel Calderon demanded today that the United States respect his country's sovereignty in the dispute over compensation for U.S. citizens whose properties have been expropriated.

"Just as we understand that the United States is a sovereign country, they too must understand that we are a sovereign country also," Calderon stated while commenting on a letter sent by U.S. Charge d'Affaires Joseph Becelia.

The letter, addressed to Deputy Presidency Minister Alejandro Matamoros, warned that the United States "will not give aid to countries that refuse to give U.S. citizens prompt, adequate, and effective compensation for their expropriated properties."

The conflict arose when a Costa Rican court ruled that compensation for the estate of U.S. citizen Robert Stone would be approximately $300,000. Stone demanded $10 million for the property.

Calderon said Costa Rica "is a sovereign country that adheres to its laws," which cannot be forced with any type of pressure.

The president asserted that Costa Rica will answer the U.S. diplomat's letter "to make him see our point of view." Calderon denied that the incident has deteriorated relations between the countries.

Calderon Says Pledges Not To Restrict Imports

PA1910222993 Panama City ACAN in Spanish 1906 GMT 16 Oct 93

[Text] San Jose, 16 Oct (ACAN-EFE)—Costa Rican President Rafael Angel Calderon will not restrict the flow of imports to reduce the negative trade balance that independent economists estimate will reach $1 billion this year.

In remarks to the media, President Calderon today justified the trade deficit by saying it is due primarily to the import of raw material and capital. The government has said the deficit will amount to approximately $780 million, while private sector economists believe it will be more than $1 billion, the highest in the country's financial history.

The Economic and Financial Consulting firm (CEFSA), one of the country's most well known consulting groups, said on Thursday that the 1993 trade deficit will amount to more than $1 billion. It warned of the high risk that such a high trade deficit entails for the Costa Rican economy, and it asked the government to give greater attention to the problem.

Nevertheless, President Rafael Calderon predicted that in 1994 there will be a "marked decline" in the difference between imports and exports and added that "the country does not need to worry" about economic instability. He stressed he will not take measures to restrict imports, because a large percentage of these purchases are capital investments "that are going to be reduced in 1994."

The government's foreign trade projection for the end of 1993 is $2.871 billion in imports and $2.1 billion in exports, without including the revenue from tourism estimated at more than $400 million.

El Salvador

Presidency Minister Holds News Conference

PA1910234493 San Salvador Radio El Salvador Network in Spanish 1722 GMT 18 Oct 93

[News conference by Salvadoran Presidency Minister Oscar Santamaria with unidentified moderator and local reporters at the Presidential Palace in San Salvador; date not given—live or recorded]

[Excerpts] [Passage omitted] [Moderator] Wilber Gomez of [word indistinct].

[Gomez] My question is about the reduction of the National Police [PN] force. Leftist sectors say there will be an approximately six-month delay. Could you explain how this size reduction will take place?

[Santamaria] Remember that I am coordinating everything related to peace agreement implementation. We are working closely with the United Nations, especially with Ambassador Ramirez Ocampo, special representative of the secretary general, on various aspects of the agreements. As for the deployment of the National Civilian Police [PNC] and the reduction in size of the PN, we agreed with the United Nations to relocate National Police members in higher crime rate areas.

We agreed to start the size reduction process on a specific date. We told the United Nations we designed a framework to accomplish this, and we are already implementing it. The government has not forgotten about this, although—as you might have read in the peace agreements—it was not included on the timetable; that is, it was not a commitment established on the timetable.

We only agreed that it would take place simultaneously with the deployment of the PNC and the size reduction of the PN. It should take place during the transition period. We already coordinated the plan with the United Nations and are already executing it. I do not think this issue is a problem any longer. We will treat it in accordance with the agreed upon terms.

[Gomez] Is there a timetable for countryside garrisons [words indistinct]?

[Santamaria] We have not discussed a timetable for geographic areas but for human resources. The geographic aspect pertains to the PNC deployment. We will withdraw all PN members from specific geographic areas and replace them with PNC members. We will relocate PN members in geographic areas not yet occupied by PNC members. Our decisions about where to send personnel will depend on area crime rates. These parallel processes are taking place simultaneously.

[Moderator] Juan Carlos Gomez of YSKL.

[Gomez] We understand today is the expiration date for both the Army and Farabundo Marti National Liberation Front [FMLN] to present lists of former combatants who would benefit from the distribution of farmland. What is the status of this phase, especially of the land transfer problem? Have the problems been overcome? Do you have sufficient funds?

[Santamaria] We have made great progress. The government plan to expedite land transfers is part of the solution. We are pleased to say that there has been a consolidation of efforts and resources to achieve this. The United Nations has verified the implementation of this plan. Although this is one of the most complex issues—and I think the president noted this—we have managed to advance considerably. We cannot say everything has been taken care of. The deadline for the conclusion of this plan is today.

It was said we could extend this deadline. The seminar on the land issue promoted by the National Commission for the Consolidation of Peace [Copaz] produced a document containing several conclusions. They said we could extend the deadline to 31 October. Copaz and everyone involved do not think the deadline should be later than that date. We do not want personal interests to influence the peace agreements, because they are above the interests of any political organization.

We have a framework that concludes today. We agreed to assess accomplishments upon its conclusion. We thought that we might have to extend it, and we decided the new deadline would be 31 October. You asked whether there is a shortage of resources? Of course. The third phase, which includes the proposal of the secretary general on the land issue and will cost $85 million, has not yet been implemented, as you know. We think the international community should make contributions to augment the funds we have received so far. That would help us complete pending land transfer programs. That is the current situation. [passage omitted]

[Moderator] The last question, Mr. Minister. Rosy Castillo from [words indistinct].

[Castillo] Drug seizures this year have been big. Tons of drugs have been seized in various areas, especially in San Antonio Abad, Acajutla port, and other sites. What is done with the drugs? Are Salvadorans involved? One politician said we are facing this problem because of the coming elections, that some people use the drugs to obtain funds and finance political campaigns. What is done with the drugs? Where do they end up? Are Salvadorans involved? Regarding what you said about the National Police, what is going to happen to the PN director, personnel, and facilities? You say some of them are going to be used in other areas, but what will happen to others? Are they going to retire or what? The people are afraid because some people say robberies are planned inside the PN.

[Santamaria] We have been very clear and firm when speaking about the government policy to fight drug trafficking. We will enforce the law regardless of who is involved. We are going to investigate every case with all available resources. Regarding drug trafficking, we have a specialized unit called the Drug Interdiction Executive Unit, which has shown great professionalism and effectiveness in fighting this crime. As for the seized drugs, we publicly destroy what the government has seized. We have shown that it cannot go to anyone else. It would make no sense to use the seized drug for other purposes. The drug has been destroyed publicly. I have seen many of you reporters there because I have gone to some of the drug destruction ceremonies. We do what is done elsewhere: destroy the drugs. This is in the hands of the judge. You know that once the seizure is in the hands of the court, the court decides what to do with the seized drugs. We carry out the court orders to the letter; that is, we destroy the drugs.

Regarding the involvement of Salvadorans in drug trafficking, Salvadorans have been involved. We have turned these people over to the courts so they can also be punished according to the law. Now then, there is much speculation, especially now when we are getting close to the elections, and some of these things can be used for speculation. I have always said that if somebody has evidence or proof against specific individuals, he should present it. I was called to a meeting at the Legislative Assembly to explain the Executive Branch's handling of investigations and the struggle against drug trafficking. I answered a number of questions on this subject from the Assembly's Political Committee. The Committee wanted to hear about the investigations because it was concerned about these things. It asked that some officials explain these things to them, and that is what we did. We must continue working against drug trafficking. We cannot sit back and do nothing. We have to work so the law will be applied against all cases involving drug trafficking. We will enforce the law regardless of who is involved. There will be no distinction. We will continue to act as we have done so far regarding everything that falls under the purview of the Executive Branch. In matters involving the Judicial Branch, the Judicial Branch will be in charge. I already mentioned this in a previous question. The responsibility that judges might have in all of this falls under the functions of the Judicial Branch.

As for the reduction of the PN and the demobilization of the PN members, we have already made plans for this. We are not working to undertake a demobilization-....[pauses] Well, we are working to deal with this reasonably. Yes, we have a program for former PN members to rejoin civilian life as was done in the case of the Armed Forces. We had to handle this while keeping in mind what might occur with an unemployed population and the risks this might entail. We all know that someone who is unemployed and who has no livelihood for himself and his family could create abnormal situations. To prevent such abnormal situations, we undertook a plan for the PN members to rejoin civilian life. We are managing the plan through the National Reconstruction Secretariat with funds provided by the international community. We are aware that this cannot be handled irresponsibly. We do not want another source of destabilization with individuals disrupting the country's normal life or committing crimes with the argument that they are unemployed and have to commit them just to live. Such arguments are groundless because we are handling the situation under this plan.

Regarding the PN installations, in the cases in which we have been able to transfer them to the PNC, such as the ones in the interior, we have done so. In the cases in which the PNC states it does not want to use a specific installation, then we will use them for another purpose. We know they can be used for other purposes. It is not a problem for us. We know we can handle this reasonably and with advance planning. [passage omitted]

Nicaragua

Chamorro Assesses Visit by U.S. Senator, Bilateral Ties

PA1910194293 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 19 Oct 93

[Report by Vilma Estrada from the "National" newscast—passages within quotation marks recorded]

[Text] President Violeta Barrios de Chamorro has reiterated that the national dialogue is the basis for resolving the country's problems. She also said that a two-day visit by U.S. Senator Christopher Dodd was positive.

[Chamorro] "The message he is taking with him is a message of hope, because he saw what we are trying to do for our homeland. I also feel that the situation will change, in the sense that we should not lose hope. The friendship I want with the United States is the same friendship I want with all Latin American and Central American countries, with no intervention. There is no reason to insult me, as some people have, by saying that things are happening here because I am selling out my homeland. You all know very well that I would never sell out my homeland."

President Chamorro reiterated her call for disarmament.

[Chamorro] "This is why today I urge El Chacal, my friend El Chacal, to please lay down his weapons. We want peace and tranquillity in our country; we want reconciliation. We want him to do whatever he wants or whatever he can do, but not with weapons, because weapons will do nothing for the good of our country."

President Chamorro said dialogue is the basis for resolving our problems.

[Chamorro] "We must talk in an effort to know each other better. At the same time, we must learn to forgive one another. This is why I favor dialogue, and this is why I am trying to encourage talks in the mountains."

Chamorro recalled the situation Nicaraguans faced in the past.

[Chamorro] "I received a country in total bankruptcy, a totally militarized country, a country with rationing cards. In the end, I do not want to reopen old wounds, because what good would it serve? Honestly, it is sad to remember these things, but sometimes it is necessary to mention them in order that people can understand."

After confirming her participation in the Central American presidential summit to be held in Guatemala in the next few days, President Chamorro thanked the international community for its support for Nicaragua.

[Chamorro] "I want to stress that Nicaragua is not alone. We have international support from Central America, South America, and other countries. Support for what? To remain united and move ahead after overcoming so many problems."

UNO-FSLN 'Differences' Lead To Suspension of Dialogue

PA1910200293 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 19 Oct 93

[From the "National" newscast—passages within quotation marks are recorded]

[Text] The differences between the Sandinist National Liberation Front [FSLN] and the National Opposition Union [UNO] have led to the suspension of the dialogue the two groups had been holding for two weeks. UNO asked the FSLN for a rectification for having signed an agreement with the Center Bloc, while the FSLN voiced dissatisfaction because the Liberal Constitutionalist Party [PLC] disavowed the agreements signed with UNO. Meanwhile, UNO and the government today resumed the National Dialogue.

UNO Political Council representatives delivered a letter to the FSLN pointing out it is inadvisable for both groups to continue with the dialogue as long as the FSLN does not rectify the agreements signed with the Center Bloc. In view of this, the talks between the two political groups were suspended.

[UNO Political Council member Eli Altamirano] "The talks have been suspended. We hope that they will be (?mature) about this and will rectify, which is what UNO requires. Then, we will immediately sit down to hold talks."

Meanwhile, the FSLN complained to UNO about the communique issued by the PLC last Saturday in which the PLC seems to disavow what the FSLN and UNO have agreed so far.

[FSLN Secretary General Daniel Ortega] "The FSLN has complained to UNO because one of its parties issued a communique signed by Arnoldo Aleman disavowing the agreements. This is a new complaint. We had received a complaint on 12 October from UNO, and now they are presenting the same complaint. Therefore, we are now presenting our complaint, which is a new complaint, on the stand of Mr. Aleman. We think that Mr. Aleman is trying to sabotage the dialogue between UNO and the FSLN."

The Sandinists defended their right to maintain their alliance and talks with the Center Bloc.

[FSLN National Directorate member Sergio Ramirez Mercado] "In order to form a great national consensus, we must talk with everyone. We feel that no one should be excluded from the framework of a National Agreement."

[PLC leader Eliseo Nunez] "We are observing how in Nicaragua the FSLN is inciting greater violence everyday. Therefore, we do not believe that it is really interested in solving the situation. We are prepared to reach genuine agreements when the FSLN changes its way of thinking, and it truly thinks of Nicaragua and not just of itself as a party."

In the meantime, while the political groups remained separated by their differences, UNO and the government today resumed their talks at the Foreign Ministry.

[Altamirano] "UNO and the government will resume their bilateral dialogue with a discussion of the points that had been left pending. We could say that we will continue with the approved agenda."

No date has been set for a future UNO-FSLN meeting, and so far UNO and the government continue with their talks.

Daniel Ortega's Reaction

PA1910215893 Managua Radio Sandino in Spanish 1100 GMT 19 Oct 93

[From the "Events" newscast]

[Text] The Sandinist National Liberation Front [FSLN] does not consider the dialogue with the UNO [National Opposition Union] suspended. FSLN Secretary General Commander Daniel Ortega said the following yesterday after learning about the decision by the UNO Political Council to suspend the talks.

[Begin Ortega recording] We must make it clear that the FSLN does not consider the dialogue suspended. We regard the dialogue as open and we are open to a dialogue regardless of the UNO position. We are willing to meet with them whenever they want to continue with the talks and we are willing to go to the UNO offices when they decide. The FSLN does not consider the dialogues suspended. The FSLN is open to a dialogue with UNO. We see the UNO talks with the government as something positive. We believe a dialogue should be held among all parties involved, not only between the government and UNO, not only between the FSLN and the government, not only between UNO and the FSLN, but the ideal thing would be for this to be a tripartite dialogue. There should be a tripartite dialogue held between the FSLN, the UNO, and the government. [end recording]

Panama

Commission Goes To United States to Investigate Drug Case

PA2010032693 Panama City ACAN in Spanish 0218 GMT 20 Oct 93

[Text] Panama City, 19 Oct (ACAN-EFE)—The Panamanian legislature will send a special commission of seven deputies to the United States to investigate the details surrounding the arrest in Tampa of Legislator Anel Ramirez on charges of attempting to bring 100 kg of cocaine into U.S. territory.

Today's legislative session was dedicated primarily to the Ramirez case. The deputies approved a motion to create a commission to investigate the case and present a report before the Legislative Assembly plenum. According to the resolution's text, the idea behind the commission is for the legislature to take "action to defend the democratic system from the dangers of international drug traffickers infiltrating" Panama's democratic institutions.

According to investigations by U.S. authorities, Ramirez and other legislators had planned to use the money from this operation to finance their electoral campaign.

Ramirez, 49 years old and a member of the Labor Party (PALA), which was allied to the past military regime, is a legislator for the Darien Province on the border with Colombia.

The Legislative Assembly's resolution asks the Panamanian Foreign Ministry to do whatever is "necessary" to guarantee cooperation by U.S. authorities.

Panama and the United States signed a Mutual Legal Assistance Treaty in April 1991 to fight drug trafficking and money laundering. The treaty, however, has not

been implemented because the U.S. Senate has not ratified it even though the Panamanian legislature has.

Legislators React to Arrest

PA2010020293 Panama City Circuito RPC Television in Spanish 2300 GMT 19 Oct 93

[From the "PRC Television News" newscast]

[Excerpts] Labor Party legislator, 49-year-old Anel Ramirez, was arrested in Tampa for having financed a cocaine shipment bound for the United States. Legislator Ramirez was also accused of using his parliamentary immunity in Panama to expedite a shipment containing 160 kg of cocaine on board a boat loaded with containers bound for Florida. The charges, which were based on sworn statements presented by U.S. Customs Service agents, were examined in a Tampa court. After denying Ramirez the right to bail, a trial was set for tomorrow. [passage omitted]

The Legislative Assembly Budget Commission summoned Planning Minister Delia Cardenas, Treasury Minister Mario Galindo, and Comptroller General Ruben Dario Carlos to clear up the disbursement of $300,000 in official funds to Legislator Anel Ramirez. According to unofficial reports, Legislator Anel Ramirez used these official funds, which were earmarked for projects in Darien Province, to purchase drugs.

Legislator Anel Ramirez had traveled to Tampa, Florida three days ago with three other legislators whose names have not been released. Ramirez received authorization from the Legislative Assembly to leave the country to attend to personal matters. Ramirez' situation caused commotion in the Legislative Assembly. Here are statements by some legislators:

[Begin recording] [Legislator Sebastian Escobar] The Budget Commission has already called an urgent meeting—even though we are reviewing the budget—with some ministers and officials of the executive branch. These officials, according to Legislator Ramirez' statements, are allegedly involved in this case.

[Legislator Gisela Chung, Nationalist Liberal Republican Movement] This is a disgrace on an international level. He is a Panamanian with a high-ranking position in our country. We believe that despite all the events that have occurred, we Panamanians should evaluate fairly all the information we are receiving. We believe that part of the information we are receiving is biased and aimed at involving the financial center and all levels of society.

[Legislator Milton Henriquez, opposition Christian Democrat] Although it may seem strange, I am very happy that this has occurred. Several legislators have been very concerned that drug traffickers would finance candidates in the coming political campaign and that the Legislative Assembly would be full of narcolegislators [narcolegislador]. I think this sends a warning to those who wanted to gain a seat in this legislature with drug money. It is good that they know that one way or another, they will be uncovered and jailed for this practice.

[Legislator Balbina Herrera, opposition Democratic Revolutionary Party] This is a regrettable and shameful incident involving a legislator of the Republic. If everything that has been said is true, I think that he should be held responsible for this illegal action. Meanwhile, the Legislative Assembly should investigate to determine who is responsible. We cannot allow the legislative branch to bear this responsibility which belongs to specific individuals, in this particular case to Legislator Ramirez. If he is responsible, he should be punished by law. [end recording]

Unofficial reports indicate that a Legislative Assembly commission will be appointed to determine if any other legislators are involved in possible drug- trafficking activities.

Comptroller General Denies Fund Advanced to Legislator

PA2010020693 Panama City Circuito RPC Television in Spanish 2300 GMT 19 Oct 93

[From "RPC Television News" newscast]

[Text] Comptroller General Ruben Dario Carles said the Panamanian Government does not advance money to any legislator for social projects. Carles was referring to the case of Legislator Anel Ramirez and other Panamanian legislators who are presumably involved in drug trafficking.

[Begin recording] [Carles] This is very embarrassing and it should cause concern among all Panamanians. If the charges are true, I am very sorry to see a Panamanian official involved in such activities. We must look at every [word indistinct] from the proper perspective.

The Panamanian Government, under this administration, does not advance a single cent to anyone for projects. It is true that all the legislators promoted and were active in gaining support for certain budget allotments for projects in which many of them were interested. In Mr. Ramirez' case, the 475,000 balboas, which is the sum total for the projects he promoted, were distributed among the National Sports Institute, National Water and Sanitation Institute, Special Social Fund, and Public Works Ministry.

You know me, and you know that I do not advance a single cent to anyone because, among other reasons, it is prohibited by law. We pay for projects that have been carried out, not for projects that exist only on paper.

[Unidentified reporter] How would you characterize the National Assembly's decision to summon you to answer questions about this?

[Carles] The Assembly is entitled to investigate all it wants, and I will be very pleased to provide the legislators with the information they may require. [end recording]

EL SIGLO President Seeks Asylum in Costa Rican Embassy

PA2010011893 Panama City Circuito RPC Television in Spanish 2300 GMT 19 Oct 93

[Report by Fernando Fernandez for the "RPC Television News" newscast]

[Text] EL SIGLO newspaper president Jaime Padilla Beliz this morning sought political asylum in the Costa Rican Embassy to avoid an arrest warrant issued by Judge Aidelena Pereira.

EL SIGLO newspaper directors held a news conference to denounce what they call unrelenting persecution by Panama's Fourth Circuit judge against journalist Jaime Padilla Beliz, who is the newspaper's president. All his requests for constitutional writs of amparos and writs of habeas corpus against orders issued by the judge have been turned down—orders that are based on false testimonials by witnesses who recanted on the statements they had given and that served as the basis for the punishment decreed by the judge, hence Padilla Beliz' request for asylum.

[Begin recording] [Reporter Aneldo Arosemena] This extreme measure follows an arrest warrant issued against Mr. Padilla Beliz due to a series of reports that EL SIGLO newspaper has made against Fourth Circuit Civil Branch Judge Aidelena Pereira. EL SIGLO has reported fraudulent and irregular handling of the liquidation process of the Bank of International Credit and Commerce, BCCI, and in a less important case, over the ownership of the Vista Bahia building.

[Jaime Padilla Gonzalez] Although it is true that judicial cases cannot be decided through the media, the media has every right to know what is happening with the administration of justice in Panama. What we are denouncing today to the whole country is one of these anomalies, one of these rebuffs, the arrogance of this all-powerful control the Judicial Branch exerts against society. The lack of justice in this country is leading society to crime; leading Panamanians to take justice into their own hands. [end recording]

Meanwhile, Costa Rican Ambassador to Panama Herbert Wolf has disclosed that for the time being the case of Padilla Beliz, who this morning sought refuge at the Costa Rican Embassy, is viewed as purely legal and not political persecution. Wolf explained that Padilla Beliz is, nonetheless, under diplomatic protection, although his case has not yet been carefully reviewed.

Wolf said Padilla has received personal calls from various government officials, including President Guillermo Endara, Comptroller Ruben Dario Carles, Customs Director Rodrigo Arosemena, and Presidency Minister Julio Harris. Wolf explained that he is serving only as a mediator because he does not want to meddle in Panama's legal process.

PRD, DC Presidential Candidates Participate in Forum

PA1910124893 Panama City Radio KW Continente in Spanish 1200 GMT 14 Oct 93

[Text] Ernesto Perez Balladares, Democratic Revolutionary Party [PRD] presidential candidate, and Ricardo Arias Calderon Christian Democratic Party [DC] presidential candidate, yesterday participated in a forum organized by the Latin American Economic System at El Panama Hotel. The two presidential candidates talked about democracy and national culture at the '94 Elections Forum. Among other things, Perez Balladares said:

[Being Perez recording] I would venture to say that the democracy we Panamanians have experienced during a number of administrations of our republican life, including this one, has been closer to the opposite of democracy—in other words, a government of a minority that fails to respect the rights of the majority. This majority is not taken into account; instead, it is disdained. The arrogance with which the current problem with the teachers has been handled is probably the best demonstration of this. [two-second break in reception] government initiates a type of persecution as it has currently unleashed, within a few years this nation will become truly ungovernable. [end recording]

Meanwhile, Ricardo Arias Calderon made reference to unemployment and poverty issues. Here is what he said:

[Begin Arias recording] These are realities of a nation divided in two. For some, the nation has the characteristics of Switzerland, while for many others it has the characteristics of Haiti. Within this context, there exists a high unemployment rate that is not being reduced by the job market, and there is an accumulated poverty rate that is not being overcome. [end recording]

Arias Calderon stressed that within our democracy a new culture should arise, while Toro Perez Balladares indicated that democracy means many things—among these, tolerance.

Argentina

Evacuation of Embassy in Haiti Ordered

PY2010021093 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0115 GMT 20 Oct 93

[Text] Buenos Aires, 19 Oct (EFE)—The Argentine Government has ordered the evacuation of the small group of Argentines who still remain in Haiti, except for Ambassador Carlos Carrasco and one of his secretaries, in the face of a possible armed intervention by the United Nations.

The Argentine delegation is a target of attack and harassment by parapolice groups that support General Raoul Cedras on account of the mediation effort carried out by former Argentine Foreign Minister Dante Caputo as the UN and OAS representative.

Carrasco reported that in the past few days violence has increased in Port-au-Prince, the capital of this Caribbean island, as the return of ousted President Jean Bertrand Aristide neared based on the democratization agreement signed last July in New York. There are no Argentine residents in Haiti, although there is a small group of embassy employees who lived locked up in the diplomatic mission for fear of reprisals.

With the decision made today, the Argentine Foreign Ministry is trying to avoid possible inconveniences and prepare the way in case the situation becomes worse and more violent. Carrasco and his secretary will be guarded by UN troops and Argentine Border Police members who were expressly sent to Port-au- Prince to guard the diplomatic mission.

Negotiations Begin with UK Over Fishing in South Atlantic

PY1910141293 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2252 GMT 18 Oct 93

[Text] Buenos Aires, 18 Oct (NA)—Argentine and British representatives today began, in an atmosphere of strict secrecy, a round of negotiations to reach a new fishing agreement in the South Atlantic.

The negotiations, which should end tomorrow with a second and final meeting, took place today in San Martin Palace between Adrian Beamish, Foreign Office under secretary for Latin America, and Rogelio Pfirter, Argentine Foreign Ministry policy under secretary.

The objective of these difficult negotiations is to reach a new fishing agreement to replace the one agreed upon last year. The negotiations that began today in Buenos Aires are mainly technical, although they do have a political aspect, given that Argentina wants to reach a consensus with the United Kingdom which would help in its future strategy, the final objective of which would be the reestablishment of its sovereignty over the Malvinas Islands and their waters.

Although the formal contacts began today, a previous round of general negotiations was held last week in Mar del Plata. The difficulty in bringing together the positions of the two countries becomes evident in analyzing the different previous statements by Argentine and British Government officials.

Foreign Minister Guido Di Tella and British Foreign Office official David Heathcoat-Amory agreed in pointing out the difficulties that exist in reaching an agreement. Speculations about reaching much progress during these talks were pessimistic. Argentine political circles have not ruled out the possibility that the conditions of the current fishing agreement should be extended for another year, given the lack of agreement.

The disagreements are allegedly due to the different methodologies suggested by the two parties, and by the contradictory documents that the delegates took to the negotiating table. In the agreement of last year, which is intended to be replaced now, Argentina decided to restrict voluntarily the number of fishing licenses for squid, the main economic resource of the islands.

Despite this gesture of good will, the Kelpers continued to maintain an intransigent position regarding Buenos Aires, and the British Government—unilaterally and by surprise—extended the exclusive economic zone around South Georgia. These facts made Argentine come to the negotiations with a more inflexible position, not willing to give in to British pressures.

'New Strategy' Ruling Kelpers' Fishing Policy for Falklands

PY1910171093 Buenos Aires LA PRENSA in Spanish 18 Oct 93 Section 1 p 5

[Article by Edgardo Aguilera]

[Text] As compared with previous years, the fishing policy designed by the Malvinas Islands government for 1994 includes some points that will surely be taken into account by Argentine authorities in the negotiations that will begin today on the exploitation of these renewable resources in the South Atlantic. As compared with previous years, these points actuallly involve changes. For example, emphasis is placed on the conservation of the sea resources around the archipelago and the South Atlantic southeast area. Emphasis is also placed on participation by island residents in any future fishing activities that might be carried out within the Malvinas Islands administrative area. The fishing policy also establishes the allocation of a new type of license (named long-term license) whose five-year period exceeds the traditional "one-season" period licenses that have thus far been allocated and which are, at any rate, still in force.

This new strategy designed by the "Kelpers" has various clear purposes, aiming to stimulate the Malvinas Islands fishing industry's development and growth so as to

strengthen the islanders' economic autonomy. A document to which LA PRENSA has gained exclusive access, and which reflects these goals, thus establishes that the majority capital stock in the new enterprises to be formed for the exploitation of these resources will be in the hands of the Malvinas Islands residents and the enterprises' board of directors.

The Hidden Plot

The bilateral negotiations over the controversial fishing issue that are to be conducted by representatives from the two countries will begin, at least on the British side, on this basis. Obviously, the sides will not disclose their main objectives. Some signals, however, were conveyed during Economy Minister Domingo Cavallo's visit to London during the first week of September. On that ocassion the economy minister's most important meeting was that with British Foreign Secretary Douglas Hurd. Responding to a journalist's question, one sentence from the Argentine minister still echoes in the ears of the negotiators for the Crown: "The purpose of the fishing licenses is not to create problems for the islanders, but so that the fishing resources in that zone are rationally used." The right way to understand this remark would be to emphasize our country's economic interests over the policies of "good-neighborliness."

Another key point in this meeting involves the establishment by the United Kingdom of a sea resources conservation and administration system around South Georgia and the South Sandwich Islands. A law which became effective on 2 August allows fishing north of 60 degrees latitude south only for those ships having a license issued by the Malvinas Islands Government.

British Foreign Office Minister David Heathcoat-Amory's brief visit served to emphasize the consistency of British arguments on the way to achieve the goal of preventing Argentine catches from being detrimental to the British economy. Conservation is the key to this strategy. In order to use a resource it is essential to previously estimate the quantity available and the resource's probable renewability. It is quite different establishing conservation criteria that simply meet the requirements of the Kelpers, who are fully engaged in creating a monopolistic exploitation economy based on squid.

The key thread involving the 1994 fishing policy designed by the islanders, the system imposed for South Georgia and the South Sandwich Islands, and Heathcoat-Amory's remarks on the conservation of resources are extremely obvious, and do not require any guessing as to the goals that the British negotiators will raise at the negotiating table today.

'Initial' Fishing Agreement Reached With Britain

PY2010025093 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0209 GMT 20 Oct 93

[Text] Buenos Aires, 19 Oct (NA)—The Argentine-British Fishing Commission this evening reached an initial agreement, which might be signed tomorrow and then submitted for final consideration to the two countries' governments.

This information was released this evening by Argentine diplomatic sources at the end of the second day of the meeting of the commission, which is negotiating a new fishing agreement in the South Atlantic. The negotiations are being held in strict secrecy, and the general details of the initial agreement might be released tomorrow by British representative Adrian Beamish and Argentine representative Rogelio Pfirter.

Until now, a fishing agreement signed in December 1992 by Foreign Ministers Guido Di Tella and Douglas Hurd has remained in force. This agreement, however, will be valid only until 31 December 1993. This is why it is necessary to reach a semi-permanent agreement. The current agreement reduced the number of fishing permits Argentina can grant to third countries for fishing squid.

This position had been adopted by the Foreign Ministry as part of a strategy that sought to make London's position more flexible on the exploitation of oil in the Malvinas Islands area. Until now, however, this strategy had yielded no results.

Bilateral Cooperation With NATO Viewed

PY1910190393 Buenos Aires CLARIN in Spanish 18 Oct 93 p 15

[Article by Luis Garasino]

[Excerpts] Although NATO has confirmed its status as an exclusively regional organization engaged in defending its member countries, Argentina has not abandoned its hopes of joining a bilateral military operation with any one of the NATO forces. The possibility that joint operation with a NATO member country would increase the possibility that the Argentine Armed Forces will eventually participate in UN-sponsored operations that are more dangerous than the ones in which it is currently participating, was discussed during a recent "Argentina-NATO, Global Security" seminar.

In spite of NATO's confirmation of its absolutely regional nature in this military alliance, Argentina insists on the possibility of eventually carrying out joint actions with this organization, especially in a bilateral way with any NATO member country.

We would thus increase our ability to participate in the so-called "peacekeeping" military operations, even though the skills acquired during these joint operations will mean that Argentine forces may have to participate in "peace restoration" missions that are more difficult and risky than the operations in which they have been participating until now.

This is the result of the Argentina-NATO Seminar on Global Security, which was sponsored by the Argentine

Council for International Relations (CARI) with Foreign Ministry support. [passage omitted]

Argentine participation in peacekeeping missions is already a well-established government policy. The government is implementing this policy as a way to internationally project itself. The discussions clear show that the price to be paid for this projection may become increasingly higher. It remains to be seen to what extent the national community, which contemplates with instinctive distrust any military engagements outside our borders, agrees with these growing risks.

Menem's Condition After First Checkup Termed 'Superb'

PY1910143793 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0042 GMT 19 Oct 93

[Text] Buenos Aires, 18 Oct (NA)—Neurologist Ramon Leiguarda tonight emphasized, after a routine medical checkup conducted at the Olivos Villa, that President Carlos Menem's condition is "superb."

The medical checkup, conducted by Dr. Luis de la Fuente and Leiguarda himself, was the first one given to the head of state after his discharge from the Cardiovascular Institute in Buenos Aires, where he was hospitalized on 14 October to undergo surgery.

De la Fuente, one of the members of the team that operated on Menem, and Leiguarda, the head of state's personal neurologist, entered the Olivos residence shortly before 2000 to conduct one of the routine checkups to which the president will be subjected until he is declared completely fit.

Dr. Juan Carlos Parodi, Dr. Jorge Berardi, and Dr. Alberto Alvarez, who are also members of the team monitoring the condition of the head of state, joined De la Fuente and Leigarda shortly after 2030.

The president was also visited by Federal Capital Deputy-elect Erman Gonzalez and by journalist Bernardo Neustadt, who was accompanied by his wife, Claudia Cordero Viedma.

UCR Leader Jaroslavsky Supports Amendment of Constitution

PY1910192993 Buenos Aires CLARIN in Spanish 18 Oct 93 p 3

[Excerpt] Like many others who wanted to visit the president on his last day in the hospital, Cesar Jaroslavsky failed yesterday in his attempt to personally greet President Carlos Menem.

But anyway, it was no obstacle to the former UCR [Radical Civic Union] deputy discussing a political issue that has not been mentioned at the Buenos Aires Cardiovascular Institute since the president's surgery until yesterday: the constitutional amendment proposal that provides for presidential reelection.

Regretting the fact that he was unable to share a few moments with Menem—on doctors' orders he had to take a rest from noon until the time of the Boca-River soccer match—Jaroslavsky left a valuable present for the eyes of the president in fully ratifying his position favorable to a constitutional amendment.

"(Horacio) Massacessi's decision is not opposed to the party position because I do not see a controversial problem for us in this. On the contrary, it is evidence of the equality existing among UCR members to think differently. Besides, I agree with Massaccesi," Jaroslavsky said in defending the plebiscite for the constitutional amendment proposed by the Rio Negro governor, to be held in that province in the last week of December, an initiative that astounded several top UCR leaders. [passage omitted]

Bolivia

Castro Addresses Message to Bolivian People

PY1910202193 Cochabamba LOS TIEMPOS in Spanish 6 Oct 93 p A3

[Text] La Paz, 5 Oct (ANF)—Cuban President Fidel Castro has sent a message to the Bolivian people promising not to be "unworthy" of "such a big explosion of popular support for the Cuban revolution," which he received during his visit to La Paz between 5 and 9 August.

The message was sent from Havana and delivered to the Bolivian Movement for Solidarity with Cuba last week.

Fidel Castro's message says: "We are united with Bolivia, with the Bolivian history of struggle and efforts, and with the combative and suffering Bolivian people by ties that take root in the decision by Sucre to fight for the freedom of Cuba.

"Because of our history of shared aspirations and our ties—which have been sealed even with the blood of the children of both nations—I always thought we would have a friendly welcome among Bolivians.

"But I never imagined that the presence of our delegation in Bolivia during the four days of the presidential inauguration ceremonies in August would have caused such an extraordinary explosion of popular support for the Cuban revolution.

"We lived and had an extraordinary experience in those days in Bolivia. It was deeply moving and incomparably beautiful.

"With their warm demonstration of appreciation and solidarity, the Bolivian people have sent a message to the world that Cuba is not alone, that at this time—which is so difficult for our fatherland and our revolution—there are people in Latin America and in many parts of the

world who were not deceived, despite all the attempts to isolate our country and despite all the slanders and campaigns against Cuba.

"The Bolivian people and their solidarity have strengthen our forces to continue in the struggle in which we are engaged today, have confirmed our conviction that our struggle is not in vain, and above all have reaffirmed our certainty that the battle the Cuban people are waging can only lead to victory.

"For this reason, for the support and confidence extended to us, Cuba's gratefulness is eternally indebted to Bolivia and its people. The Cuban people will not betray this confidence and will not be unworthy of that support, that friendship, and that appreciation (signed: Fidel Castro Ruz)."

Minister Denies Militarization of Antinarcotics Fight

PY1910212093 Cochabamba LOS TIEMPOS in Spanish 6 Oct 93 p A3

[Text] La Paz, 5 Oct (ANF)—Contrary to what Bolivian Ambassador to the United States Jorge Crespo and former Social Defense Under Secretary Gonzalo Torrico have said, Minister of Government German Quiroga explained that no presidential order is necessary for part of the Army to join the antidrug fight "because there is no militarization, and there will be no militarization either."

In statements to Fides News Agency, Crespo and Torrico explained that for the Army to join the fight—either directly or to provide logistics support—it is necessary to follow a constitutional procedure. This procedure begins at the Interior Ministry, and then goes to Conalid [National Council Against Drug Abuse and Illegal Drug Trafficking], the presidency, and finally the Army commander, as happened in 1991 when part of the Army joined the antidrug fight to provide institutional support.

During a 5 October news conference, Minister Quiroga denied the antidrug fight has been "militarized" after the Army Transport Battalion entered coca-producing areas, noting that any assertion in this regard is a mistake.

"No, definitively no. That is a mistake; the fight has not been militarized and in no way will it be militarized," Quiroga said, noting that the Special Antinarcotics Force [FELCN] is the only body authorized to fight drug trafficking. "Militarizing is different from helping," Quiroga said, adding that the support extended by the Army Transport Battalion does not call for any presidential authorization because the antinarcotics fight has not been militarized.

"They do not need any authorization because this does not mean militarizing the fight," he said. "We will not do that; we did not do it even during our operation in Villa 14 de Septiembre; and we will not do it in the future."

He explained that "to militarize means the military joining the fight with their arms and their logistics support, while to help means to cooperate with equipment and machinery."

"We cannot make FELCN buy helicopters to transport Umopar [Mobile Police Unit for Rural Areas] because the Bolivian Army has helicopters," Quiroga said.

He said that during the electoral campaign, President Gonzalo Sanchez de Lozada said the antinarcotics fight would not be militarized.

He explained that the Army Transport Battalion vehicles in Chapare and Chimore are used for transporting Umopar troops. "Those vehicles transport Umopar soldiers; otherwise, it would be necessary to rent vehicles for that purpose," he added. "What has been done, beginning with the previous administration, is to make some Army logistics support units, like those with vehicles and helicopters, cooperate with Umopar activities, but this does not entail militarization," he reiterated.

COB [Bolivian Labor Federation]: There Is Militarization

COB Assistant Secretary General Juan de la Cruz, however, has said that coca farmers' leaders claim that the presence alone of uniformed personnel entails militarization.

He said: "When we talk about militarization, the press and the public obviously know that uniformed Umopar troops are in coca-producing areas everyday. That is what we call militarization."

Brazil

Most Political Parties Reject Moving Up Elections

PY1910201193 Madrid EFE in Spanish 1751 GMT 19 Oct 93

[Text] The main Brazilian political forces have rejected the offer of President Itamar Franco to move up, in common agreement with Congress, the general elections scheduled for October 1994.

Franco's suggestion was criticized by most of the parties represented in Congress like the Liberal Front Party (PFL), the Progressive Renewal Party (PPR), the Workers Party (PT), and the Democratic Labor Party (PDT).

The Socialist leader and presidential candidate for the PT, Luiz Inacio Lula da Silva, recommended that Franco refrain from launching "trial balloons" and instead cooperate with the investigation of an alleged corruption network in Congress in which two ministers, 23 congressmen, four former ministers, and three governors are included.

"The president is throwing gasoline on everything," said Deputy Luiz Eduardo Magalhaes, lower house leader of the PFL, the second-largest political force in the country.

The PFL defends respecting the electoral timetable and rejects any rupture of the democratic order, while it criticizes the attempts of other political parties to suspend the constitutional reform process that began 7 October.

Besides Lula da Silva, two other presidential hopefuls, centrist Luiz Antonio Fleury and conservative Paulo Maluf, also expressed their rejection of moving up the elections as a way to solve Brazil's serious political and economic crisis.

Fleury is governor of Sao Paulo State and leader of the PMDB [Brazilian Democratic Movement Party], while Maluf is mayor of Sao Paulo and leader of the conservative PPR.

During a conversation with centrist Senator Pedro Simon, government leader in the Senate, Franco admitted on 18 October that he is willing to shorten his mandate, which should expire in January 1995, and to call early elections in common agreement with Congress.

The first consequence of the scandal unleashed by the alleged corruption network in Congress was the resignation of two ministers: Alexandre Costa (regional integration minister) and Henrique Hargreaves (civilian household chief and Franco's right hand), although the president still has not decided whether to accept their resignations or not.

The congressmen have reacted angrily because they do not want to shorten their legislative mandates and most of them feel responsible for the future of the investigation of the alleged corruption network, which will be investigated by a congressional committee that will be established on 20 October.

President Labor Force Luiz Antonio Medeiros said that if Franco "has lost control and wants to retire, he can resign, but he must not demonstrate uncertainty."

Mario Amato, vice president of the National Confederation of Industries (CNI), said Franco's suggestion could delay the constitutional revision that ought to last until March 1994.

Franco's offer to shorten his mandate and move up the elections takes place at a moment when Congress faces one of its greatest challenges: to investigate the charges against several of its members, especially some who represent political forces like the PMDB, the PFL, and PPR.

The so-called "cardinals" of Congress, who last year headed the impeachment of former President Fernando Collor, expressed their confidence that Congress can investigate and punish those responsible for the alleged corruption network.

Although the constitutional reform process is threatened as a result of this scandal, the main political forces expressed their willingness to continue the constitutional revision at the same time the investigation takes place.

Centrist senator and former President Jose Sarney today joined the front that is against the constitutional revision headed by the PDT and the PT, when he said Congress does not have the credibility or the political conditions necessary to revise the Constitution.

The election campaign will officially begin next April, six months after which 100 million citizens will vote for president, vice president, 503 federal deputies, 54 of 81 senators, 27 governors, and more than 1,000 state legislators.

Congressmen Reject Possible Early Election

PY1910235293 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 19 Oct 93

[Text] Congress does not accept the idea of early elections. Alexandre Garcia explains live from Brasilia:

[Begin relay] President Itamar Franco announced that he would not mind if Congress took the initiative to reduce all mandates and called for early elections. Today Congress reacted. Political party representatives and political leaders expressed their opposition to any change because it would alter the process of constitutional revision that is essential for the country. Deputy Miro Teixeira, who sponsored the proposal, said he will withdraw it for the time being but he will present it again later because he is convinced that the only thing that will create a pact capable of breaking what he calls successive collusions is an early election.

At this time most congressmen consider that the idea has been definitely ruled out. [end relay]

Household Chief Hargreaves Interviewed

PY1910154593 Sao Paulo ISTOE in Portuguese 13 Oct 93 pp 4-7

[Interview with Civilian Household Chief Henrique Hargreaves by Jose Carlos Bardawil and Luiz Antonio Novaes, not individually identified; place and date not given]

[Excerpts] [ISTOE] Itamar Franco has just completed his first year in office. According to the latest surveys he has a 14 percent popularity rate, one of the lowest in recent history. What does Planalto Palace, or what do you, think about these figures?

[Hargreaves] I do not want to deny the importance of surveys, but I need to see what method was used, and the kind of people questioned, before commenting. I say this because these survey results differ from the reality we feel and see through our contacts with the people. If the president's popularity were in fact that low, he would be booed everywhere.

[ISTOE] Has the president ever been booed?

[Hargreaves] No, that is not happening. In Sao Paulo, for instance, people in the streets received him very well when he visited Autolatina to launch the Fusca [Volkswagen beetle]. People greeted him when he left the hotel. The survey, I repeat, is not everything.

[ISTOE] But what is your evaluation of this year of government?

[Hargreaves] First, the president of the Republic continues to deserve people's trust and credibility. Everyone agrees that he is a correct, serious, and hardworking person who inherited a very difficult situation to administer. You cannot forget this point.

[ISTOE] During a recent interview with JORNAL DO BRASIL, President Itamar Franco said he encountered so many difficulties when he took over that he even thought of leaving the office after one year in power. Did he discuss this with his closest advisers, such as yourself, sir?

[Hargreaves] I honestly do not remember that. He might have mentioned it casually and without elaborating.

[ISTOE] Can we attribute that popularity problem to government communications shortcomings?

[Hargreaves] Yes, that is a fact. We are trying to solve the problem by showing society what has already been accomplished. Many things were done without anyone saying anything or publishing anything about them. There are many reasons for the lack of publicity. One of them is that the situation was so painful, so difficult, that we could not spend money on them. Public relations is expensive.

[ISTOE] Can you give us an example of a significant government achievement, and an example of a critical situation the government had to face?

[Hargreaves] Franco's government found that the state owed hospitals around 40 trillion real cruzeiros. This debt was fully paid in June...

[ISTOE] Yes, but it is known that the state is still behind...

[Hargreaves] Yes, because disbursements are around 10 to 15 trillion per month. But I can give you other examples. We paid the 147 percent increase to pensioners. The highways network was in total disrepair, full of holes. Today most highways have been fully repaired. No one says anything about that. The truth is that there is a communications problem, but the press has not been interested in disseminating government accomplishments, either.

[ISTOE] Do you think the press only publishes bad news?

[Hargreaves] Yes. The press is not interested in routine news. Newspapers only want scandals. I tried to pass them material on government achievements several times, and the answer always was: "No, we do not want to know about achievements, no." The fact is that the press, considering its very active participation in Fernando Collor's impeachment, has the idea that it must be society's super guardian of sorts, finding that everyone else is corrupt.

[ISTOE] You complain against the press, but until recently you were one of the ministers who was most regularly criticized by legislators, at least through the newspapers...

[Hargreaves] It is true. I do not know why. I only know that it was not an honest thing. There were centers of intrigue against me that disseminated rumors, even through fax, to all newspapers. I found out, by chance, about one of these centers. It was an agriculture firm from Nucleo Bandeirante (one of Brasilia's satellite cities).

[ISTOE] But who was behind the campaign?

[Hargreaves] I do not know.

[ISTOE] Legislators?

[Hargreaves] (hesitating a little) I do not know, I do not know.

[ISTOE] You do not know, or you do not want to say?

[Hargreaves] I really do not know. But one thing is true: Everything that was published about me was false, everything, everything. I never had problems with the president, I never had problems with legislators... [passage omitted]

[ISTOE] What deadline for leaving office has the president given those ministers who want to run in the 1994 elections: April 1994 or December 1993?

[Hargreaves] He did not set a deadline, but it could be December, because this is only logical.

[ISTOE] Why logical?

[Hargreaves] Some governors have given their secretaries who are running in the elections up until December to leave their posts so as not to spend funds until April.

[ISTOE] Do you believe the PMDB [Brazilian Democratic Movement Party] is one of the government's pillars of support?

[Hargreaves] We want the PMDB to be our ally until the end of the government, but a sector of the party has already backed out. I cannot guarantee it will continue to support us.

[ISTOE] It is said that the PMDB dislikes you, and that it has always dreamed of having your post. How do you feel about this?

[Hargreaves] In the first place, this is not true. The PMDB has never aspired to my post, because this post does not belong to me, it belongs to the president of the Republic. It would be silly to want to replace me because someone very similar to me, someone who enjoys the president's confidence, will replace me. In the second place, the PMDB has in any case never aspired to this post. It has never asked the president for this post. In the third place, the PMDB does not dislike me. Many of my friends belong to the PMDB, especially the leaders, who have always been very polite, very attentive, very nice to me, all of them.

[ISTOE] You are even a friend of [Sao Paulo] Governor Fleury?

[Hargreaves] Yes. Moreover, Governor Fleury and I have been friends for many years. Fleury lobbied for the attorney general in Congress. In those days he was president of the Association of Sao Paulo Attorneys; he lived in the corridors of Congress, and I helped him a lot. He is very grateful for that. We have a good relationship.

[ISTOE] There has always been the idea of creating the post of government political coordinator. Would this reduce your area of action somewhat?

[Hargreaves] It would make no difference to me. But if anyone tried to name a political coordinator, he would crash headlong into the president, who is a politician. The president is the government's political coordinator.

[ISTOE] Do you really belong to the PFL [Liberal Front Party]?

[Hargreaves] No, the only party with which I was ever affiliated was the old MDB [Brazilian Democratic Movement], the PMDB's predecessor. I was affiliated with that party for two months, but I then realized I had no will to serve the party, and requested that my membership be cancelled. I was never a member of any other party.

[ISTOE] But you worked hard for the PFL?

[Hargreaves] It was circumstantial. In my capacity as official in the Chamber of Deputies, I was a professional. I therefore worked hard for the Arena [National Renewal Alliance], then for the PDS [Democratic Social Party], then the PDS divided and part of it went to the PFL, and so did I. Anyway, this was the case, but I could have worked for the PT [Workers Party], the PMDB, the PDT [Democratic Labor Party], or the PTB [Brazilian Labor Party]. I was even invited by all of them. When Soares was PT leader, he invited me to join the PT, and I would have done so if necessary without any problem.

[ISTOE] Does the president intend to ally the PMDB and PSDB, even with a single candidate, to run for the 1994 succession?

[Hargreaves] The president has never raised the issue. The economic recovery is his main concern.

[ISTOE] But a poll which is being carried out, supposedly at the request of Planalto Palace, mentions the president as one of the candidates for the presidential succession...

[Hargreaves] Planalto has not ordered any poll...

[ISTOE] Let us pretend that President Franco's name gets good support in a poll. Wouldn't that be a good enough incentive for him to think about running for reelection?

[Hargreaves] This must happen first before we can know. For the time being the president is not interested in the presidential succession. He denies it whenever anyone says anything about reelection. This is not something to discuss now, but despite what he thinks, this is a subject that could be debated. We cannot avoid it.

[ISTOE] Two government ministers, Fernando Henrique Cardoso and Antonio Brito, are obviously engaged in the presidential race...

[Hargreaves] These two ministers are great representatives of the government, thanks to the good jobs they are doing. The fact that they are mentioned as candidates does not mean that the president is involved. He has not sided with anyone; he does not take sides, nor does he know yet whether he will side with anyone. [passage omitted]

[ISTOE] Why hasn't the president ever gotten involved in the discussions over the constitutional revision?

[Hargreaves] Because he has always thought that the revision is not a matter that concerns the executive branch. It is a matter that concerns society. It is up to Congress to set the date for starting this process. It is not a responsibility the president should undertake, because he strictly respects the Constitution. Now look here, Congress was not deciding on whether or not the Constitution would be revised. This revision was and is compulsory. Congress was simply debating on which date to start reviewing the Constitution. Once the date is set the executive branch will indicate which points it feels need amendment.

[ISTOE] The business sector, however, doubted that Congress would approve the constitutional revision. It was said in some circles within the large Sao Paulo business sector that Congress would do nothing, and that the president would remain impassive in view of a threat that the country might become ungovernable...

[Hargreaves] I believe those people who have no faith in Congress are unfair. What we have witnessed is that the legislators are always willing to solve the great institutional problems. Those who in this episode, under the pretext of being concerned about the country, were trying to impose patriotism regulations on Congress and on the president of the Republic ended up in poor shape.

[ISTOE] What does the government expect from the constitutional revision?

[Hargreaves] We can disclose at least one thing: The fiscal adjustment must be included in the revision. It is of great importance not only for the government, but also for the country's institutional stability. It should be mentioned that the adjustment is linked directly to Minister Fernando Henrique Cardoso's anti-inflation plan. One is subject to the other. [passage omitted]

[ISTOE] Could you tell us a secret? What is the government's position on the privatization process?

[Hargreaves] Right from the beginning, privatization was one of the president's goals. He simply did not allow or agree with the way it was being carried out. For example, it was said and widely commented on that the president called the privatization certificates rotten currency. He never said such a thing. What he did refer to was the Usiminas [Minas Gerais Iron and Steel Company] case. This enterprise was the one in the best condition, but which in terms of cash was sold for the price of a Volkswagen Gol.

[ISTOE] Yes, but there were other cases, in which the government seemed to hesitate over their privatization...

[Hargreaves] Yes, but there is an explanation in every case. For example, shortly after we came to power Ultrafertil was to be privatized. In this case there was a serious problem, that is, two completely different price quotations. It was not a matter of a 10 percent difference. The difference between one and another quotation amounted to as much as 100 percent. So the president ordered a reevaluation, a percentage to be paid in cash was established, and from then on the same criteria was used for Acominas, CSN [National Iron and Steel Company], or Cosipa [Sao Paulo Iron and Steel Company]....

[ISTOE] People talk about the Juiz de Fora Republic, or that the government has priviledged those who come from Juiz de Fora. Do you consider yourself a privileged person?

[Hargreaves] In the first place, to have been born in Juiz de Fora is a privilege, but I was not placed in government because of my birth certificate, but because I had already exercised the post for which I had been chosen, and because I am a personal friend of the president and someone he can trust. As for the story about the Juiz de Fora Republic, it is simply sick. The president chose only his direct advisors from Juiz de Fora: the chief of the civilian household, the secretary general, and the consultant general of the Republic. As for the education minister, he is a person with a lot of experience, and is already being regarded as one of the best ministers the country has ever had in that field.

[ISTOE] Does this mean that the Juiz de Fora Republic does not exist?

[Hargreaves] It is a mere fantasy. What is true, thank God, is that the president has friends and can truly trust in them. He has his own personal rear guards. Every president has had his own rear guards. The funny thing about this is that nobody talked about a Diamantina Republic in the days of Juscelino [Kubitschek]. Neither did anyone talk about the Republic of Rio de Janeiro in Figueiredo's days, nor of the Republic of Maranhao during Sarney's times.

[ISTOE] Did all of them have people from their respective home towns in their governments?

[Hargreaves] All of them always did. The expression Republic of Alagoas was only created when Collor came to power. Now people talk about the Juiz de Fora Republic. [passage omitted]

[ISTOE] Will the fact that Paulo Cesar Farias got away undermine the government?

[Hargreaves] Look here, a person with a lot of money in his pocket, with a private aircraft, with a plan, can in today's world hide and not be found if he so wishes. He can even hide within the country. If you fly over the Amazon you will see that some places can only be reached by helicopter or small aircraft. I believe this subject has to be handled by the courts, which must take the necessary measures. Now then, it would be another matter if people started saying that the executive branch is ignoring the issue. But the Federal Police, as far as what is feasible is concerned, has done its part. One cannot perform miracles.

Finance Minister Seeks Fiscal Reform, Denies Shock Measures

PY1910200293 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Oct 93 p B6

[Article by Beatriz Abreu]

[Text] Brasilia—Finance Minister Fernando Henrique Cardoso insisted on 16 October on the need to implement a fiscal reform and, once again, denied rumors about "packages or unorthodox measures" to fight inflation. "Without a fiscal reform, any measure is pure fantasy and does not last long," he asserted. Minister Cardoso criticized the congressmen who are creating obstacles to debating the fiscal reform. "To create obstacles is to cheat," he said.

Cardoso used the quiet day he had on 16 October to meet the economic team and discuss the provisional measures to be implemented in the fiscal field in order to balance the government deficit this year, and the government proposal to cover the 1994 budget deficit. These measures will be sent to Congress in the next few days.

He admitted that the economic team has been discussing several proposals to fight inflation. He also admitted the team is studying the possibility of creating a new currency to be adopted in the country or a system in which two currencies can coexist in the country.

During a break in the economic team meeting he said: "Here and abroad, there are several proposals to this

extent, but no decision has been made yet." He insisted: "No package or unorthodox measure is being discussed."

The minister made clear that he does not plan to send Congress proposals for a timid fiscal reform. According to him, the idea is to send a proposal contemplating forms of balancing the budget for this year and 1994.

Cardoso explained: "Naturally, there are measures to balance the 1994 budget that can be sent to Congress, but there are also the constitutional measures." He insisted that, so far, he has no "clear signs" that it is being understood from the political point of view that the country is entering a new era. "A new era in which the politicians must be responsible enough to realize that without revenue there can be no expenditures," he said. His strategy is to hold several meetings with the political parties' leaders, the ministers, and representatives of all national forces to explain the fiscal reform and the new rules of the new privatization model.

In these meetings, the minister will insist that a balanced budget is fundamental if the country wants to adopt anti-inflation measures. He confessed: "People cannot understand that. We either balance our budget and thus have the necessary conditions to fight inflation, or we resort to tricks."

Cardoso made very clear that the government is not pressing him to adopt anti-inflation measures in the short term. According to him, Justice Minister Mauricio Correa's remarks that a fiscal reform must be implemented before the end of November are not contradictory. "There is no reason to consider Minister Correa's comments contradictory." According to Cardoso, the November deadline is of paramount importance because it coincides with the period when the constitutional reform will be under discussion.

Franco Supports Cardoso's Plan

PY1910203893 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Oct 93 p B3

[Article by Tania Monteiro]

[Text] Santiago—Shortly before ending his four-day visit to Santiago on 16 October, President Itamar Franco expressed support for Finance Minister Fernando Henrique Cardoso's performance as the head of the Brazilian economy. "The minister's rhythm is right," he said. He admitted, however, that the inflation rate still is going up. Asked whether the stabilization program contemplates implementation of the fiscal reform before "clobbering" inflation, the president said: "It certainly does."

Franco did not want to establish a specific day for the inflation to begin going down. He did not comment on Justice Minister Mauricio Correa's remark that the government will adopt harsh measures against price increases after the end of November if Congress does not give signs that it will include a strict fiscal reform in the constitutional review. After agreeing that the high inflation rate disturbs everyone, he confessed: "We are all concerned about the inflation rate."

According to the president, the main item of the constitutional reform is the fiscal reform, which is the one the government is most anxious for. He said the government is waiting for Congress to vote on the methodology and schedule to be adopted during the constitutional reform to prepare its strategy for the economic area. He said: "I will push the constitutional reform, particularly the fiscal reform."

On 18 October, President Franco will meet Cardoso, his advisers, the other economic team members, and some ministers to discuss the inflation issue and privatization as a way of fighting inflation.

Justice Minister Mauricio Correa tried to justify his remarks calling for urgent measures to fight inflation. He said they contained no "criticism" of the finance minister. He added that the entire Brazilian population is concerned by inflation, not just him.

Alleged Pablo Escobar Letter Claims Extortion by Police

PY2010020293 Madrid EFE in Spanish 2351 GMT 19 Oct 93

[Excerpt] Colombian drug trafficker Pablo Escobar has written a letter to Rio de Janeiro Police chief Alvaro Souza Pinto allegedly denouncing the blackmail he suffered from civilian policemen during his stay Brazil, O ESTADO news agency reported.

According to the source, Souza Pinto confirmed the existence of the letter in which the Medellin cartel chief reveals details about the alleged $10 million blackmail he was forced to pay in order not to be arrested by civilian police last year. Souza Pinto, who is supposed to investigate the presence of Escobar in Rio de Janeiro, said he is waiting to receive the letter but he did not want to reveal the name of who will deliver it or from where he obtained the information.

Brazilian officials do not rule out the possibility of the existence of a letter written by Escobar to the Rio de Janeiro civilian police, given that even the Colombian Government has acknowledged the authenticity of other letters written by the drug trafficker that carry his fingerprint as a signature. Souza Pinto, chief of the Rio de Janeiro civilian police, must investigate the charges made against former police member Ivan Custodio Barbosa, according to which three members of the antinarcotics division who discovered Pablo Escobar in Brazil demanded $10 million from him in order not to arrest him.

Barbosa, who is a witness for the Rio de Janeiro Government in a case against 33 policemen charged with a massacre in a city slum, revealed the existence of an enormous criminal gang made up of policemen.

According to Barbosa, Pablo Escobar stayed in a luxury condominium last year in the city of Cabo Frio on the northern coast of Rio de Janeiro, and he had to pay a million-dollar sum of money so civilian police would guarantee his departure from Brazil.

Souza Pinto hopes the alleged letter written by the Colombian drug trafficker will help him in his investigation. The police chief, who already has found the house in which the Medellin cartel chief allegedly stayed, will travel next week to Colombia to continue his investigation. [passage omitted]

* Engesa's Liabilities Estimated At $500 Million

94SM0022D Sao Paulo GAZETA MERCANTIL in Portuguese 25-27 Sep 93 p 27

[Article by Sao Paulo correspondent Amalia Safatle]

[Text] The liabilities of Specialized Engineers S.A. (Engesa), a manufacturer of military vehicles, armaments, and equipment, total approximately $500 million. This was the figure given on Friday by Wilson Mendes Caldeira Junior, controlling shareholder of Brasilinterpart Bank, which is interested in acquiring control of the stock of the company, now in Chapter 11.

If the liabilities found by the audit begun by Brasilinterpart exceed $350 million, the deal would to be abandoned immediately. To Caldeira Junior, however, the fact that the debts exceed the limit does not prevent the acquisition, provided that the volume is negotiated with the creditors. "Those negotiations will not be difficult," he said, optimistically.

According to Caldeira Junior, the auditors' figures—still preliminary—show that 70 percent of the liabilities consist of loans from the Brazilian Government, including loans from Bank of Brazil (BB), the National Treasury, the National Bank for Economic and Social Development (BNDES), and the Bank of Northeast Brazil (BNB). Obligations to employees and unpaid payroll levies add up to $43 million; taxes represent $31 million, and debts to suppliers $2 million. There is also $65 million in debt in the form of advances from customers who did not receive the goods they ordered, and $120 million borne by Engesa as guarantor on financed exports. The firm's net worth has been found to be $120 million.

If the purchase does go through, 60 percent of the voting stock will be held by Brasilinterpart in association with as many as three other Brazilian companies. The other 40 percent will be held by Overseas Finance and Management Corporation, a holding company formed by investors from Saudi Arabia, Kuwait, and the United Arab Emirates. According to Caldeira Junior, the partnership between the bank and Overseas also intends to set up an oil refinery in the Northeast, and to work in the fields of lamination and sugar refining.

* Amorim Seeks South Atlantic Denuclearized Zone

94SM0022C Sao Paulo GAZETA MERCANTIL in Portuguese 15 Sep 93 p 5

[Article by Brasilia correspondent Maria Helena Tachinardi]

[Text] The Brazilian government, author of a draft declaration on a peace and cooperation zone in the South Atlantic that was approved by the UN in 1986 with the backing of 144 countries, coordinated by the United States, now wants to revive this initiative and "make the region a denuclearized zone," Foreign Minister Celso Amorim told this newspaper yesterday.

He raised the subject last week in conversations with his Uruguayan colleague, Sergio Abreu. At the meeting of the Rio Group scheduled to be held in Chile in October, Argentina, Uruguay, and Brazil will discuss the initiative, especially because the democratization of South Africa, which will hold multiracial elections in 1994, gives new impetus to plans to begin cooperation in trade, fishing, and environmental matters (the latter referring to eliminating toxic waste in the region). Also in October, Nigeria will sponsor a meeting on the same subject.

The United States did not support Resolution No. 47/74 for reasons of principle—because the initiative is not a legal one, is not a treaty. Every year at the UN General Assembly the resolution is ratified by the same countries that passed it. Former Foreign Minister Fernando Henrique Cardoso had already been thinking of reviving the issue, which has lost impetus since 1986. The theme now to be promoted by Brazil is that world powers should commit themselves to denuclearization of the South Atlantic, as they did with a treaty for denuclearization of the South Pacific.

Amorim reported that Ambassador Antonio Amaral Sampaio will head the Brazilian Embassy in Pretoria, and will assume his duties as soon as confirmed by the Senate. He will be the first ambassador to a majority government there and will be assigned the task of developing a new relationship between the two countries during this transition period. Once democratized, South Africa is to join the other countries in the Southern Africa Development Cooperation Conference (SADCC) and form a sort of common market that would be an important partner for Mercosur.

As to prospects for Brazilian cooperation with Israel and the Arab nations in the wake of the peace agreement signed at the White House, Amorim said he hopes that the Israeli Government "exhibiting the same spirit that prevailed in the approach to the Palestinians," will release Lamia Marouf Hassan, a Brazilian citizen who was convicted by a Israeli military court in 1987 of involvement in the kidnapping and killing of a Jewish soldier. Lamia is serving a life sentence in that country. Itamaraty has been exerting intense pressure to obtain

Lamia's release, which could come to pass as a political gesture by Israel in the form of a presidential pardon. "We will reaffirm our desire to negotiate," the foreign minister pointed out.

During his visit to the Latin American Integration Association (ALADI) last week, Minister Amorim defended "the integrity of the Treaty of Montevideo," which created that organization. Brazil does not want changes made in its charter; however Mexico wants to soften Article 44, according to which all concessions made to one country must be extended to the others. Mexico has made tariff concessions within the context of the North American Free Trade Agreement (NAFTA) and is not interested in granting those same benefits to its Latin American partners.

Amorim announced for December a ministerial-level meeting of the committee on general coordination with Uruguay, during which all aspects of the bilateral relationship will be reviewed. "We want a flexible relationship with Uruguay," he commented. The presidents of the Mercosur countries will meet in the Uruguayan city of Colonia in December to discuss the proposed structure of Mercosur institutions and the common external tariff.

Yesterday, Amorim met with Chinese Minister Liu Jiyuan of the China National Space Administration. They talked about the Sino-Brazilian plan to build three earth observation satellites, the first of which will be launched in October 1996. Today, Liu Jiyuan and Minister of Science and Technology Jose Israel Vargas will sign a protocol containing the key points for the further development of the satellite project. The National Institute of Space Research (INPE) is supposed to subcontract the partial manufacture of the satellite structure to the Chinese Academy of Space Technology. Only the value of the contract remains to be decided.

* Ricupero on Policy Objectives for Amazon Region

94SM0022B Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Sep 93 p A16

[Article by Tania Monteiro]

[Text] Brasilia—Ambassador Rubens Ricupero was sworn in yesterday morning as minister of Amazon affairs. At the same ceremony, President Itamar Franco announced that Ricupero would also be appointed to serve temporarily as minister of the environment. Ricupero's first move will be to try to win release of more than $1 billion from international organizations, such as the IDB, the World Bank, and the OAS. These funds have already been approved, but not passed on to Brazil because of various problems.

Minister Ricupero, who will take over from Coutinho Jorge at another ceremony at Planalto Palace this morning, made a point of stressing at his press conference that "the Amazon region is a trump card for Brazil and needs to be seen from the standpoint of opportunities, not just in terms of its problems." He found out about his latest appointment only yesterday, but emphasized that he is no stranger to environmental matters, since he has already worked on various projects in that area.

Ricupero noted that the positive aspects that need to be brought out in the Amazon region are the ones that will bring funds into Brazil. "These are the kind of episodes in which international cooperation becomes a reality and, in the case of Brazil, this country has something very valuable in its hands," the minister said, after noting that Brazil "has the largest reserve of biodiversity in the world and the largest, still intact, tropical rain forest on the planet."

In the minister's opinion, at least 10 major loans have been approved but have encountered difficulties because of the lack of a counterpart in Brazilian currency. There are also institutional problems: structures that can receive those funds need to be created. "We must find a formula so that this money can start flowing," the minister said.

In mentioning some of the projects that are blocked, the minister noted that there is $6 million in credit available for financing health assistance to the Indians, awaiting the development of a plan by the National Health Foundation. That loan is part of a World Bank antimalaria campaign funded at nearly $200 million, all but about 30 percent of which has already been disbursed. Included in the funds yet to be released is $300,000 from the World Bank to be used on a project to help the Yanomami.

Ricupero also hopes to gain release of about $100 million for the Ministry of Regional Integration's Planaflora program, and another $100 million for a similar project in Rondonia.

Council To Coordinate Policies

Special Minister of Coordination of Activities in Legal Amazonia Rubens Ricupero announced he will promote coordination among all the agencies that have interests in the region, whether at the federal, state, or municipal level. "We need to decide what the integration policy will be for Amazonia and we need an entity that can coordinate this, so that is why a new ministry had to be created," the minister said, after reporting that President Itamar Franco had approved the establishment of a coordinating council, a sort of Amazon Council.

According to the minister, the council will probably meet in the next few days to discuss the ministry's coordination work. Ricupero said he had proposed the establishment of a technical coordination group. He mentioned some points of that integrated policy, such as security in the territory. The minister thinks the Armed Forces presence in the region needs to be increased, especially because of the border problems that will determine how much control Brazil has over its territory.

International cooperation, which will be handled by Itamaraty, was also advocated by Ricupero. Relations with countries that border on the region will be assessed, as will relations with financing organizations such as the World Bank, the IDB, the OAS, and other international partners in the G-7 (group of industrialized countries) pilot project for the Amazon. Ricupero also reiterated the need for maintaining the internal security of the region by battling the narcotics traffic.

In the environmental area, issues such as Indian policy—entrusted to FUNAI [National Indian Foundation]—will be evaluated, as will sustainable development. Many of those projects, the minister said, depend on completion of the economic-ecological zoning study being coordinated by the Strategic Affairs Secretariat (SAE).

* Constitutional Revision Divides Labor Movement

94SM0022A Brasilia CORREIO BRAZILIENSE in Portuguese 13 Sep 93 p 2

[Article by Isabel Braga]

[Text] While business and management organization march arm-in-arm in the campaign for a comprehensive revision of the 1988 Constitution, Brazil's three leading labor federations are, once again, divided. The Sole Workers Center (CUT) and the General Workers Confederation (CGT) will not even consider conducting the constitutional revision at this time, while Union Strength believes Brazil's only salvation is a thorough revision of its Magna Carta.

In pushing its views on the constitutional revision, labor federations will use pressure from the workers. The CUT, along with other civic organizations, has scheduled several demonstrations against the revision to be held in the major state capitals between now and 5 October (the fifth birthday of the current Constitution). Tomorrow, unified demonstrations will be held in Sao Paulo; later they will be staged in Porto Alegre (Rio Grande do Sul), Rio de Janeiro, Belo Horizonte (Minas Gerais) and Salvador (Bahia), culminating with the main event, to be held in Brasilia.

According to CUT national secretary and coordinator of the antirevision forces, Jorge Lorenzetti, plans are to hold a huge demonstration in Brasilia on 5 October, in which workers from all over Brazil will take part. "We are going to take over Brasilia and prevent this hoax of a revision," the CUT secretary said. Unions affiliated with CUT and with the CGT are holding general meetings in Brasilia to make decisions about a possible strike that day. The CGT will launch its unified campaign against the revision on 22 September and will participate in the 5 October action in Brasilia.

Regulation

The main argument being used by the two union federations that oppose the revision is that no implementing regulations were ever enacted for the current Constitution. CGT National President Caninde Pegado cites the absence of regulations to implement the 12 percent per annum ceiling on interest rates, the tax on large fortunes, and profit-sharing plans. "The Constitution is experimental on many points."

CUT National Secretary Jorge Lorenzetti says "legal Brazil" is a much better place than the "real Brazil," and so his federation advocates postponing the revision. "Several articles, like the one calling for a fair minimum wage and the one that prohibits dismissal without cause, are dead letters," he insists. "It would make more sense to enforce the Constitution we have than for a Congress without legitimacy to conduct some sort of blitz in order to make structural changes in a Constitution that was drafted with the assistance of the general public."

Solution to the Crisis

Union Strength thinks the constitutional revision is the ideal time for Brazil to emerge from its crisis. "The country cannot wait any longer" says the organization's president, Luiz Antonio Medeiros. "We are going to send the workers out onto the streets to urge that the reform start in October, as the Constitution stipulates," he added. The Union Strength president insists that all the opinion polls show most of the public in favor of the revision, and only a minority—"the same people who are against privatization and the modernization of the economy"—disagrees.

The same kind of argument is being used by the CUT. "Democratic organizations like the OAB [Brazilian Attorneys Association], ABI [Brazilian Press Association], CNBB [National Conference of Brazilian Bishops] and the progressive parties in the Congress are all on our side," the CUT national secretary said. "Businessmen, economic groups, parties that support the administration, and Union Strength are the exception."

Worker Rights

Although split on the question of the revision and on possible changes to various parts of the Constitution, there is at least one issue on which the federations stand together and are likely to lead a powerful lobby: defense of worker rights. "If the movement against the revision is unable to convince the legislators, we will make ourselves into a movement for the defense of the interests of workers, the citizens, and democracy as protected in the 1988 Constitution," Lorenzetti said. "We will be in Brasilia for the unified demonstrations on the 5th, but if the revision passes, we will stay there to lobby, with 50 leaders and experts taking turns at the wheel," commented CGT president Caninde Pegado.

Even Union Strength, which is allied with the business community in advocating constitutional reform, privatization, and modernization of the economy will not permit tinkering with the rights of workers that are consecrated in the Constitution. "Union Strength will

not allow any conservative bloc to tamper with what belongs to the worker. No one will lay a finger on those," Medeiros said.

[Box p 13]

Businessmen Avoid Controversy

Business entities recognize the clout of the labor union lobby and insist they are willing to discuss the question. In fact, the Sao Paulo State Federation of Industries (FIESP), when on 30 August it submitted a document listing the main points to be defended during the revision, left out the chapter on worker rights and union organization.

According to the FIESP document approved by 260 businessmen at a plenary session, the thematic committee set up by the federation has not finished its work and will continue its debates. "However, the general feeling that we should not attempt to take away constitutional rights already assured to the workers has prevailed," the document reads. The committee also concluded that if anything is proposed on this subject, it would be with a view to creating ways and means to modernize and introduce more flexibility into labor relations, and "always through prior negotiations with the workers," it points out."

In another part of the text, there is a strong desire to find a new model of collective bargaining between capital and labor that expresses the wishes of the parties to the fullest. "To do that, however, there are certain differences of opinion that must be overcome with regard to the present structure of the labor court system," the text says. The report also mentions the absence of a consensus on the issue of union organization.

Dialogue

"The CUT is open to dialogue," asserted its national secretary, Jorge Lorenzetti, who recalls that the initiative for debating these questions with the business community came from the federation itself. "We will not, however, agree to tinkering with the rights won in the [1988] Constitution," he said. According to Lorenzetti, if the proposal for a new collective bargaining model includes the removal of all the rights set forth in law, making them attainable only through negotiation, it will not be accepted.

"We want a democratic system, but one that starts with maintenance of the rights already guaranteed," he explains. Lorenzetti noted that in Brazil, more than 30 million workers are in the informal economy, and slave labor still exists. "You cannot negotiate from square one under these conditions." The dialogue with business also includes the application of the rights already assured, such as the Constitutional prohibition against dismissal without cause.

The national president of the CGT, Caninde Pegado, has no faith in the dialogue being proposed by businessmen. "I do not see this dialogue as aimed at maintaining the constitutional text, but rather at getting the workers to give up some of [their rights]" he charged. According to Caninde, modernity in labor relations is intended to bring Brazilian workers down to the level of those in the Mercosur [Common Market of the South] countries, who have far fewer rights, so that Brazil can compete in that market.

Rights

Among the principal worker rights that were guaranteed in the 1988 Constitution and on which the federations will refuse to negotiate are the six-hour day, the single nationwide minimum wage, the 120-day maternity leave, civil servant tenure, and the right to strike. The one-week paternity leave and maintenance of retirement on the basis of years of service are the rights most often questioned by business.

Chile

Ecuadoran President Signs Joint Declaration With Aylwin

PY2010011093 Madrid EFE in Spanish 1631 GMT 19 Oct 93

[Text] Santiago de Chile, 19 Oct (EFE)—Ecuadoran President Sixto Duran-Ballen today returned to his country after participating in the seventh Rio Group Summit and an official two-day visit to Chile.

Speaking to the media before departing, Duran-Ballen said he favored talking with his neighbors, he rejects the "protectionism" practiced by developed countries, Cuba should return to democracy, and the political consensus in Chile should be an object of praise.

During his presence in Chile the Ecuadoran president obtained the support of Chile so Ecuador can join the GATT. Duran-Ballen said that Ecuador is very interested in receiving Chilean cooperation in the state reform and modernization process his government has begun, adding that a group of Chilean businessmen and officials will travel on 25 October to Quito to determine the fields in which they can cooperate.

The Ecuadoran president said his country wishes to increase trade with Chile, which amounted to $220 million in 1992, as well as cultural and technical cooperation. Duran-Ballen said he favors the quick signing of the North American Free Trade Agreement (NAFTA) among Mexico, the United States, and Canada, as well as a satisfactory conclusion to the Uruguay Round of GATT talks.

As for relations with Peru, a country with which Ecuador has historical border disagreements, the Ecuadoran president stressed that dialogue is the best way to understand each other and he greeted the initiative of Peruvian

President Alberto Fujimori, who suggested reducing the number of troops stationed on the border between the two countries.

Regarding Cuba, the Ecuadoran president, who had unsuccessfully suggested during the Rio Group summit that the Cuban subject be given special treatment, reiterated his position that Cuba should immediately return to a democratic system. As for Ecuador's withdrawal from OPEC, he said the decision was made because belonging to it did not represent any benefit for his country while Ecuador still had to pay high membership fees.

The Ecuadoran president signed with Chilean President Patricio Aylwin a joint declaration about their mutual interest in strengthening their trade relations and beginning talks to sign an economic complementation agreement. They also agreed to sponsor signing a technical assistance agreement for mining exploration and exportation, a field in which Chile has vast experience. They also expressed their concern over the increase in drug trafficking, and they decided to reinforce bilateral cooperation to combat drug trafficking and the laundering of drug-trafficking money.

The two presidents rejected "the unfair trade practices and protectionism, especially that practiced by industrialized countries," and they stressed the importance of democracy and the defense of human rights.

During his official visit, Duran-Ballen held two working meetings with Aylwin, whom he invited to visit the Galapagos Islands when he finishes his mandate. He also met Senate President Gabriel Valdes and Chamber of Deputies President Jorge Molina.

The Ecuadoran president also met acting Supreme Court President Servando Jordan Lopez and was declared the illustrious guest of Santiago de Chile by Mayor Jaime Ravinet.

Chamber of Deputies Rejects Senate Reelection Proposal

PY2010021293 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0000 GMT 20 Oct 93

[Excerpt] By a large majority vote, the Chamber of Deputies today ratified its previous stand in favor of reducing the presidential term to four years, without reelection. The lower house thus rejected a Senate proposal for a four-year term with reelection.

Consequently, negotiations over the reform will have to continue. For the time being, the government will not withdraw the bill from Congress. [passage omitted]

Colombia

Panel Investigates Near Miss Involving DEA Aircraft

PA1910195793 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 19 Oct 93

[From the "National" newscast]

[Text] Who controls DEA planes, which overfly our country as if they were in their own? This issue is again being debated after an incident over the weekend in which a commercial plane nearly collided with a DEA plane. An aeronautics commission is investigating.

[Begin recording] [Unidentified reporter] Incredible, but true: The Civil Aeronautics Office does not yet know whether the infamous DEA plane that nearly crashed into a SAM airplane last Saturday had permission to fly, or what it was doing over Colombian territory.

In an initial report due out tomorrow, the office will reveal who is responsible. The recordings of conversations between the control tower at Medellin Airport, the SAM plane, and the DEA plane are already being transcribed.

[Civil Aeronautics Director Fernando Zarama] The investigation will try to establish what type of plane was involved, whether it was a Hercules C-130, and it will try to determine whether it had authorization to fly and, if so, which route. Only the investigation and the transcript of the tape will give us final results.

[Reporter] The "National Newscast" has learned that the plane with registration No. HK-3396 was under the command of Captains Carlos Uribe and (Miguel Trapp) and Engineer Hector Sanchez. The investigative commission is made up of the chief of the Aeronautics Security Office and an administrative surveillance commission. [end recording]

Also, we have just learned the official position of SAM Airlines regarding the incident with the DEA plane.

[Begin recording] [Unidentified reporter] When the pilot of the Colombian plane—that is, the SAM plane—was advised about the presence of this U.S. plane, did he know in advance whether it was there, or did the control tower have to warn him?

[SAM Regional Manager Juan Fernando Gaviria] No, he was not warned that a U.S. plane was approaching. He was only asked to change altitude. I repeat, he was asked to drop in altitude from 20,500 to 19,000 feet. At that time, however, he had seen no plane. He decided to heed the order, but as he was executing it, the crew saw the plane approaching on the right.

Upon arriving in Cali, the crew learned that the other plane had been flying at another altitude. The investigation will determine the origin and actual altitude of the

U.S. plane. At that time, however, the Colombian pilot did not have any information. [end recording]

President Says Search Bloc Operations 'Routine'

PA1910215593 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 16 Oct 93

[Report by Azucena Lievano from the Rio Group Summit in Santiago, Chile]

[Text] President Cesar Gaviria said today in Santiago, Chile, where he is participating in the Rio Group Summit, that the operations being conducted by the Search Bloc in Antioquia Department are routine but will be successful.

[Begin Gaviria recording] We are currently conducting routine operations to capture Escobar, as we have done in the past. I think we are finally going to capture him. [end recording]

During a news conference, the president described Pablo Escobar as the most powerful man in the world but someone who is now defeated. He also said congressional subsidies cannot be included in the national budget.

[Begin Gaviria recording] I cannot say that in principle it is bad for congressmen to request funds for their regions or municipalities. Of course it cannot be a disorganized or totally massive process. It cannot be done by allotments, either, but the country cannot maintain the attitude that it is inherently bad for a congressman to request funds for his municipality or for his region. On the other hand, we cannot have the attitude that to approve the budget we need to approve funds for each congressman. [end recording]

As for the summit, President Gaviria said the Ecuadoran president is the only person who has touched upon the Cuba issue. The Ecuadoran president believes it is important to promote mechanisms that can lead to a lifting of the embargo in a peaceful and orderly manner for the island.

Politicians on Photographs With Escobar

PA2010040493 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 16 Oct 93

[From the "24 Hours" newscast]

[Text] The Attorney General's Office confirmed today that the photographs of several politicians and Pablo Escobar made public on the "QAP" newscast were found in the library of the conference room adjacent to the office of former Deputy Attorney General Guillermo Villa Alzate. It has not yet been determined if the photographs belong to Villa Alzate.

After studying the photographs, which, according to the Attorney General's Office, had already been made public throughout the country and had caused some controversy at the time, new questions have risen about why they were found in the office of former Deputy Attorney Villa Alzate, who is currently under fire for his association with [Cali Cartel chief] Miguel Rodriguez Orejuela.

According to the Attorney General's Office, the photographs were found in the office of former Deputy Attorney General Villa Alzate during a routine search and inventory process by the inspector general after Villa Alzate had been dismissed.

According to the Attorney General's Office, the set of photographs were at one time forwarded to Villa Alzate's office for an evaluation and were to be delivered later to appropriate authorities.

As part of the disciplinary measures against Villa Alzate, it will be up to the Attorney General's Office to determine where the photographs originally came from.

Agents from the Attorney General's Office have two theories that may explain why the photographs were found in Villa Alzate's office. The first is that as far back as 1988 when Carlos Mauro Hoyos was attorney general, the library was part of the counternarcotics group of the judicial Attorney General's Office. The photographs could have been taken to the library during a routine counternarcotics operation. The second theory is that assuming Villa Alzate did work for the Cali cartel, the photographs could have been sent by the members of the drug organization so an investigation could be initiated.

The "24 Hours" newscast learned that in addition to being examined by Attorney General Gustavo Arrieta, the photographs were also inspected by Defense Minister Rafael Pardo Rueda, who proceeded to discarded them.

One of the photographs clearly shows current Communications Minister William Jaramillo Gomez exiting an aircraft allegedly owned by Pablo Escobar. Minister Jaramillo, currently in Bucaramanga, stated that during political campaigns planes are usually used without knowing who the owners are. He says he is in no way involved as he has never posed with Pablo Escobar.

[Begin Jaramillo recording] You can clearly see from the photographs they took of me getting off the plane that I appear, as the old ladies would say, like a spring chicken. I look so young that I hardly recognized myself in the photographs. Pablo Escobar never appears in the photographs for a simple reason: I do not know him. I met him once at the Chamber of Deputies when he was a representative for the Liberal Renovation Movement [Movimiento de Renovacion Liberal] during a debate with Congressman [first name indistinct] Restrepo. [end recording]

The sudden appearance of photographs taken several years ago has given rise to some controversy. Two more politicians who appear in the photographs, presidential candidates David Turbay and Alberto Santofimio, had this to say:

[Begin recording] [Turbay] I appear in the photographs as part of the minister's reception committee. I also want to say that during those days Mr. Pablo Escobar Gaviria was not the drug trafficker we all know today. He had no charges against him. He was another assemblyman and legislator whom the media described as the Robin Hood of Colombian democracy. They even applauded his "Medellin Without Slums" social program.

[Unidentified reporter] Senator Santofumio, are you in any way concerned about appearing in those photographs?

[Santofumio] Look, I am used to the fact that anytime elections are near, my opponents like to throw back the debates to things that happened 12 or 14 years ago. Then they resort to bringing out those photographs to create problems for Communications Minister Jaramillo and Monsignor [Alfonso] Lopez, president of the Colombian Conference of Bishops. They have even resorted to insulting the grave of Federico Estrada Velez, and now they want to give me a hard time. All I have to say is that those photographs were taken at a time when Escobar was a congressman. He had his credentials, which were granted by the people and validated by the state. In addition, he was involved in political activities, business, and so forth. He was not being sought by any judicial authority. As such he would normally meet with military members, Catholic church representatives, politicians, businessmen, and assorted representatives of society, because he was operating inside and not outside society. [end recording]

Liberal Party [PL] presidential candidates Enrique Parejo and Carlos Lemmos expressed their opinions today on the controversy that has arisen over the photographs.

During a meeting in the Caribbean region of Colombia, some PL presidential candidates called for an explanation regarding the photographs in which Pablo Escobar appears with some well known politicians.

[Begin recording] [Carlos Lemmos] The people hurt most by this confusion are those who appear in the photographs. Hopefully the Prosecutor General's Office and the Attorney General's Office will able to tell all of us, including those involved, what is really behind everything found in the desk.

[Enrique Parejo] The close links between drug trafficking and politics was mentioned in the past by Rodrigo Lara Bonilla and the leaders of New Liberalism, chiefly Luis Carlos Galan. Those photographs are just a reminder of the reports that were made some time ago. [end recording]

In concluding, Parejo said the Prosecutor General's Office and the Attorney General's Office must clarify the situation.

Paraguay

Political Leaders Comment on Governability Pact

PY1910223093

[Editorial report] Asuncion ABC COLOR in Spanish on 15 October carries four articles on the opinions of government and opposition party leaders on the governability pact.

In a 300-word article on page 3, Domingo Laino, leader of the Authentic Radical Liberal Party, PLRA, says: "The governability pact marks the beginning of a new political style," adding that "the signing of this document is a revolutionary and historic event without precedent in Paraguayan political history."

Laino says the document "enhances the importance of dialogue among political parties and is an essential instrument for democratic coexistence."

The PLRA leader adds: "We must gradually replace the traditional, savage, intraparty fighting" with "sensible gradualism, negotiation, coexistence, and consensus whenever possible."

In a 200-word article on page 3 Miguel Angel Montaner, acting president of the Christian Democratic Party, says: "The social and political environment in which this incipient democracy is moving is very bad. For that reason, we will possibly reach a swift agreement on the need to begin a frontal fight against poverty." He adds: "The strategy we must follow to administer our scarce available resources to solve our collective problems should be through consensus and agreement."

Montaner says that the signing of "the agreement creates the basis for a new policy that all Paraguayans will now practice."

In a 300-word article on page 4 Vice President Angel Roberto Seifart says: "The Colorado Party is bound to the governability pact which serves to forget the many years of political confrontations." Seifart adds that the agreement "is the beginning of a new style of coexistence that will make a mental and cultural transformation possible, permitting us to find solutions to the social problems afflicting the country."

Seifart says: "The agreement between the ANR [National Republic Association-Colorado Party], the PLRA, the PDC [Christian Democratic Party], and the PRF [Febrerista Revolutionary Party] is a civic example that honors us. It makes us feel proud of the Paraguayan political class."

Seifart adds: "Our country has always been characterized by the rivalry and passion of our political confrontations and the signing of this document, more than anything else, is a sign of civility, maturity, and civilization."

'Estrangement' Between Wasmosy, Colorado Leaders 'Evident'

PY1910185693 Asuncion ULTIMA HORA in Spanish 15 Oct 93 p 3

[Text] The estrangement between President Juan Carlos Wasmosy and the leadership of the Colorado Party headed by Blas N. Riquelme is becoming increasingly evident, as illustrated by some recent developments in local politics.

The appointment of Atilio R. Fernandez as integration minister—a portfolio which seemed to have been definitely left vacant—shows that Wasmosy is openly challenging Riquelme, as the latter had so far managed to "stave off" Fernandez's nomination for holding a government post.

During several interviews with the press Fernandez himself acknowledged that Riquelme was "blackballing" him for having leveled criticism at his party chairman.

In the wake of the events that took place outside the Congress building, which led Wasmosy and Riquelme to adopt totally different stances, the former not only named Fernandez, but also hand-picked former Industry Under Secretary Ruben Fadlala as [integration] vice minister. It should be pointed out that Fadlala is not a member of the Colorado Party, and that his candidacy had not even been "suggested" by the opposition within the framework of the governability pact.

Two additional events that should be added for consideration are the removal of the police chief and the investigation involving Interior Minister Carlos Podesta (from the Riquelme faction) which, together with the support Wasmosy gave to Congress, were for all practical purposes tantamount to a war cry against Riquelme.

Riquelme has on his part not missed any opportunity to give added zest to his rancor against Wasmosy, openly criticizing the government for having slighted the PRC parliamentarians who visited the country. Riquelme said that this was most deplorable, and that he was going to take steps to establish diplomatic and commercial relations with that country. Prior to this the Colorado Party chairman had cold-shouldered Wasmosy in Congress.

Riquelme has cast his net in the direction of his party precincts in a scramble for support. He thus visited these precincts under the pretext of the forthcoming change in the ANR [National Republican Association-Colorado Party] register of voters. Some elements from Wasmosy's supporters, on their part, are "suggesting" that a party convention be held to renew its leadership.

This proposal, however, has not met with the support of many Colorado Party precincts presidents, especially those from the Central and Cordillera Departments. Moreover, pursuant to the party's by-laws, such a convention would not be feasible unless Riquelme resigns—something which is most unlikely.

This state of affairs foreshadows a power struggle within the Colorado Party, which is to renew its leadership in 1995. It would be easier for Wasmosy to govern the country if he could count on the support of Colorado Party leaders who entirely approve of his policy. And Riquelme and his supporters have proved that they not only disapprove of Wasmosy's administration, but also may seek mechanisms to undermine the government and keep it at the mercy of the partisan and military interests that led it to power.

Visiting PRC Lawmakers Promote Increased Friendly Relations

PY1910141793 Asuncion ABC COLOR in Spanish 15 Oct 93 p 25

[Text] Visiting PRC lawmakers yesterday met with Municipal Board Chairman Dr. Miguel Angel Gonzalez Erico—who is also acting mayor of Asuncion—and with several leaders of Municipal Board blocs.

After the formal greetings PRC delegation head Zhu Oizhen said that Paraguay might soon establish relations with the billion-strong Chinese people. "My country maintains diplomatic relations with 157 nations, and our people have always had good feelings toward the Paraguayan people for promoting our relations in all fields. Paraguay is an important South American country, the only country in the region that does not yet have diplomatic relations with the PRC," he said.

"We are convinced that establishing friendly relations can be profitable for both countries. These relations can be established only on the basis of mutual knowledge, and we therefore want to promote ties between the two countries," he added.

He explained that many PRC citizens want to get to know our country. "Our economists and entrepreneurs are very enthusiastic about promoting their economic and commercial contacts with Paraguay. Only in this way will it be possible to promote the friendship upon which it will be possible to build mutual confidence," the PRC official said.

"We would like this visit to mark the beginning of contacts in all fields. There is a broad area in which we can develop our relations, promoting not only friendship but also commercial investment and cultural ties. Implementation of all this calls for more official relations," he said.

For his part, Gonzalez Erico said the visit was very positive, voicing hopes that the two countries might soon establish diplomatic relations.

Interior Minister Interviewed; Rules Out Possible Coup

PY1910202593 Asuncion ULTIMA HORA in Spanish 18 Oct 93 p 22

[Interview with Interior Minister Carlos Podesta by Roberto Daniel Fleitas—place and date not given]

[Fleitas] You are a member of the ANR [National Republican Association—Colorado Party] Executive Board and the right arm of ANR President Blas N. Riquelme. How do you view relations between the Colorado Party and the Executive Branch?

[Podesta] Relations between the ANR and the government are continuous and fluent. There is no estrangement as some are trying to make believe. The so-called "pressure" does not undermine such a relationship.

[Fleitas] Do you agree that President Juan Carlos Wasmosy is governing in a power vacuum?

[Podesta] President Wasmosy has the support of the great majority of the Colorado Party people and the support of 100 percent of the Colorado Party Executive Board.

[Fleitas] Do you feel that Wasmosy is losing control of his main advisers and some military officers?

[Podesta] By no means. We are all committed and we are all supporting Wasmosy's management.

[Fleitas] Do you believe the demonstrations outside Congress on 7 October marked the start of a split between the Colorado Party board, the Wasmosy management, and the military?

[Podesta] No. What happened outside Congress was a regrettable exception that shows that these demonstrations must be conducted peacefully and according to the law.

[Fleitas] Many say that you should step down from your post during the administrative inquest at the Interior Ministry. Do you agree with that?

[Podesta] I do not agree. I have fully fulfilled my responsibility. My ministry cannot be held responsible for the misbehavior of others, although we did assume the responsibility for controlling the situation and the return to normalcy.

[Fleitas] Are the conditions appropriate for a coup d'etat?

[Podesta] By no means. It would imply a step backward, which we do not want.

[Fleitas] As one of main Colorado Party leaders who endorsed and negotiated the governability pact with the opposition, how do you see this agreement?

[Podesta] The members of the different political parties who achieved this democratic understanding have assumed a great responsibility because it means we believe in a responsible dialogue and that we are willing to discuss these ideas.

[Fleitas] Is it worth the effort?

[Podesta] Yes. If we do not believe in and practice political dialogue, we will only have confrontation that, when it lacks the civilized level required by political action, can result in a great conflict. The outcome could be civil war. We do not want this.

[Fleitas] You are responsible for the Republic's internal security. How can you fight organized crime if the police lack the adequate means?

[Podesta] We need to adjust the penal law to the complex demands of our times so that the permissiveness of the law will not represent an incentive for criminals. We need to pay the police adequately so their economic needs will not make them vulnerable to the temptation of accepting from the underworld. We also must adequately equip the police. Without equipment, weapons, and the appropriate training, we are exposing our men to the ferociousness of delinquency.

[Fleitas] What are the main needs of the police?

[Podesta] I would like each policeman to have life insurance and one for accidents. It is unfair to a policeman's family that he should be unprotected should a serious event occur. Moreover, I would like each policeman to have a bullet-proof vest, effective communications equipment, and the appropriate judicial protection. Policemen are often accused by criminals who can recover their freedom quickly and easily.

[Fleitas] Will you ask for helicopters for the police?

[Podesta] Ideally we should have seven helicopter-gunships for patrolling, backup, and tracking, and at least two helicopters for rescue operations and an ambulance service. Very soon we will have at least the first two units.

[Fleitas] The police cadres must be renewed. Has your ministry taken this into consideration?

[Podesta] The police cadres are being renewed and will be renewed continuously in accordance with the methods proposed by the police administration.

[Fleitas] Is the training of police agents under consideration?

[Podesta] Unfortunately, training costs a lot of money. I would like to double the training time. We try to keep policemen in good shape and to develop techniques.

[Fleitas] The illegal trafficking of timber, stolen vehicles, drugs, and cattle are the most common crimes in our country. Is there a political willingness and the necessary capacity to confront the corrupt citizens engaged in these activities?

[Podesta] The political willingness is firm. If the government does not curb this increasing criminal activity, we could be watching the organization of a true criminal empire that could become a permanent power confronting the laws established by the Constitution. In some countries, over the past two decades, the power developed by the criminal world has been so great that it

managed to undermine the legal power. It is for this reason that our government has resolutely decided to confront this challenge. We have the support of the citizenry.

[Fleitas] What is behind the idea of giving an allowance to the police instead of the provisions they have been receiving?

[Podesta] I have talked to many policemen and most of them would rather receive a check instead of provisions. I also noticed that they question the quality of the provisions, the supply service, and the generalized suspicion of corruption. Why then continue such a discredited program?

Correction—Wasmosy Returns From Rio Group Summit

PY1910142193

The following correction pertains to the item headlined "Wasmosy Returns From Rio Group Summit," published in the 19 October Latin America DAILY REPORT, page 39: Third paragraph, first sentence reads... that this is why the development... (rewording)

Peru

Fujimori Confirms Arrest of Chilean MRTA Terrorist

PA2010045593 Lima Global de Television Network in Spanish 0100 GMT 20 Oct 93

[From the "Direct Line" newscast]

[Text] President Alberto Fujimori confirmed the capture of Chilean national Javier Castilla, alias Comrade Alfredo, who controlled the Tupac Amaru Revolutionary Movement's [MRTA] administration and the entire logistical apparatus. Castillo and other Chileans who were captured will be tried under Peruvian law. According to President Fujimori, this arrest is a coup d'etat. President Fujimori made the above statements at the Dincote [National Counterterrorism Directorate] headquarters and displayed to the media the weapons seized and the homes where the terrorist hid and held kidnapped businessmen.

It is in this house on [name indistinct] Street in the San Borja, Lima District, where Dincote—during Operation Scorpion—was able to confiscate the largest weapons arsenal seized in past years. The arsenal was large enough to arm an Army division. The war materiel displayed in a Dincote office contained a large amount of explosive devices, simple electric detonators, RPG grenades, fuses, mortars, revolvers, rifles with telescopic sights, hoods, and subversive literature.

This intelligence service operation, which was carried out after a cautious two month investigation, led to the release of businessman Raul Hiraoka Torre. Hiraoka was held in this small room on the second floor. He was allowed only a small television set and local magazines. Here is what President Fujimori said:

[Begin recording] [Fujimori] Some sort of confrontation took place in this room. If you open the curtains you can see where the bullets broke the windows. You can also see bullet holes on the ceiling. Mr. Hiraoka had been kept in this closet for about two weeks before he was rescued. Let's go in one by one. Please, let one reporter in with his cameraman.

[Unidentified reporter] Mr. President, is this the room where Mr. Hiraoka was held?

[Fujimori] As you can see, it was completely lined with plywood. There was a small television set and some magazines. Strangely enough, they also gave him a Bible. He was kept here for about 14 days.

[Reporter] Had he been moved recently? Was he someplace else before?

[Fujimori] He had been at the Santa Patricia house. [end recording]

This is the kitchen of the house where businessman Raul Hiraoka was held. There was also another room where MRTA subversive material was prepared. We can see that in this small room used for the preparation of subversive propaganda, there was a printer and a copying machine. We can see here some samples of the leaflets made by members of the subversive group. We can also see the copying machine as well as some ink that was used to print subversive literature. This is the ink used to print these subversive documents.

Undoubtedly, the importance of Operation Scorpion lies not only in the release of Hiraoka, but it also basically allowed the dismantlement of the MRTA's military apparatus with the capture of Comrade Alfredo, identified as Jaime Francisco Sebastian Castillo, a Chilean national. According to President Fujimori, the political commanders Nestor Serpa Cartolini and Miguel Rincon Rincon must still be captured for the definitive dismantlement of that subversive group. Fujimori held a news conference in a Dincote office. Here is what he said:

[Being recording] [Unidentified reporter] Mr. President, do you think Cartolini and Rincon are in the country? Are you on their trail [words indistinct]?

[Fujimori] That is the goal we have set. These two individuals are permanently on the move. One of them is reportedly in the northern part of the country, and the other is in the jungle. However, at the rate the operations by counterterrorist agents are going, there is no doubt that the MRTA will be disbanded this year, for the citizens' tranquility.

[Reporter] Mr. President, what procedure will be followed with the arrested persons, the Chileans? What are you going to do with them?

[Fujimori] The crimes have been committed in Peru, and they are very serious crimes. These people they must be tried under Peruvian law. [end recording]

Venezuela

Rangel Says 4 Generals Involved in 'Conspiracy'

PA1910174193 Caracas Venezolana de Television Network in Spanish 1550 GMT 19 Oct 93

[From "The News" newscast]

[Text] Defense Minister Vice Admiral Radames Munoz Leon today will order a military court to investigate the charges raised by [journalist and politician] Jose Vicente Rangel to the effect that there are four generals involved in a conspiracy.

The defense minister explained that a military judge will have to summon Rangel to provide the names of the officers and the evidence he has of their alleged conspiracy. If it is proven that these individuals really exist, then—following orders from the president of the Republic—the military court will appoint a magistrate as prosecutor.

Meanwhile, with regard to other cases where charges have been dropped, it is reported that Lieutenant Colonel Luis Pineda Castellanos—who is imprisoned at the San Carlos Garrison—will today receive that benefit for humanitarian reasons.

Defense Minister's Reaction

PA1910175293 Caracas Venezolana de Television Network in Spanish 1550 GMT 19 Oct 93

[From "The News" newscast]

[Text] Defense Minister Radames Munoz Leon said a few minutes ago in Miraflores Palace that he is willing to attack the problems of rebellion or conspiracy regardless of who is involved, whether a general or a soldier, a civilian or a military man. In this way, the minister replied to remarks by journalist Jose Vicente Rangel.

[Begin recording] [Munoz] We must put an end once and for all to these rumors and conspiratorial attitudes in Venezuela and we have to defend democratic rights. I am willing to defend them and I hope that he [Rangel] is also willing to do so and will provide names.

[Unidentified reporter] Why do you think he says he has names?

[Munoz] I do not know. He will have to appear at the court and explain why he has them. He will have to say how he obtained information on security cabinet discussions. He has to explain how he manages to be in my office to know whether or not I have names. It is his word against mine. I can state that up to this moment I have not mentioned names. I do not believe gossip. I want specific information. I have said that it is my policy to investigate all accusations. He made an accusation and I am investigating it. In addition, I have said that I will answer to the courts. I am willing to go to any court in the country, and even the celestial court if possible [as heard], to testify against individuals who attack the democratic system. [end recording]

AD Presidential Candidate Presents Government Plan

PA1910131493 Caracas Venezolana de Television Network in Spanish 2350 GMT 14 Oct 93

[From "The News" newscast]

[Text] Democratic Action [AD] presidential candidate Claudio Fermin has presented his government plan to the country. According to AD leaders, the plan is based on the changing times that will be encountered by a developing Venezuela desirous of social justice.

AD's leadership gathered at the Esmeralda House to support Fermin during the presentation of his plan, which proposes a reduction in the size of the government by increasing the privatization of unproductive institutions and by transferring functions and resources to muncipalities in an effort to decentralize the government.

[Begin recording] [Fermin] We must create a new type of organization in which the people directly benefit, as opposed to benefits going to a small group of less than 1 million Venezuelans. There are 21 million Venezuelans, and bureacracy and influence peddling has benefitted only a minority.

[Pedro Paris Montesinos] I share Fermin's views 100 percent. This is what encourages me to continue struggling for his victory on 5 December.

[Luis Alfaro Ucero] I believe his plan meets every expectation concerning the offer AD had to make to this country.

[Antonio Ledezma] There can be no doubt that Claudio Fermin is currently AD's most upstanding and authentic personality. He is the ideologue of our party. [end recording]

AD's leadership also announced that by next week it will have the final document outlining Fermin's views, which will be presented to the general public.

Guyana

Jagan Notes Largest Influx of Capital in 20 Years

FL2010023693 Bridgetown CANA in English 1729 GMT 19 Oct 93

[Text] Georgetown, Guyana, 19 Oct, CANA—The Cheddi Jagan administration, marking its first year in office, said Guyana obtained over U.S.270 million dollars in concessional loans and grants over the past year.

It was the largest inflow of foreign capital into Guyana in nearly 20 years, the Government Information Service (GIS) said.

A breakdown showed U.S.50 million dollars came from bilateral sources including the United Kingdom and the United States. The World Bank and the Inter-American Development Bank (IDB) provided over 200 million dollars, with 20 million dollars coming from the International Monetary Fund (IMF).

The GIS, noting that "the present state of (Guyana's) infrastructure remains an impediment to private investment and production," said over U.S.50 million dollars had been earmarked for improving water supply to both urban and rural communities. Another 80 million dollars will go towards repairing three of the country's main highways.

GIS also reported that the European Investment Bank (EIB) had committed U.S.14 million dollars for first phase of rehabilitation of the ailing bauxite industry. The World Bank also has approved 15 million dollars to support the sugar industry, GIS said.

Suriname

Two New Cabinet Ministers Appointed

BR1910152793 Amsterdam DE VOLKSKRANT in Dutch 18 Oct 93 p 4

[Unattributed article: "NPS Ministers Appointed in Suriname"]

[Text] Paramaribo—Two new ministers have been appointed in the Surinamese cabinet. R. Assen will become Minister of Development Cooperation and R. Demon will take over at the Natural Resources Ministry.

The two were put forward by the NPS [National Party of Suriname]. Assen was until recently head of the statistical office. He will replace E. Sedoc who, after making criticism, resigned due to illness. Demon is president of the foreign currency committee. He replaces H. Pollack, who was forced to resign because of the fuel crisis.